United Nations A/71/695

General Assembly

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Seventy-first session
Agenda item 63
Report of the Human Rights Council

Letter dated 30 November 2016 from the Chargé d'affaires a.i. of the Permanent Mission of Poland to the United Nations addressed to the Secretary-General

I have the honour to convey the attached letter regarding the resolution on the report of the Human Rights Council (see annex).

I would be grateful if the present letter and its annex could be issued as a document of the General Assembly, under agenda item 63.

(*Signed*) Pawel **Radomski**
Chargé d'affaires a.i.

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Annex to the letter dated 30 November 2016 from the Chargé d'affaires a.i. of the Permanent Mission of Poland to the United Nations addressed to the Secretary-General

I would like to draw your attention to draft resolution A/C.3/71/L.46 on the report of the Human Rights Council, which was adopted by the Third Committee on 21 November 2016.

Poland has been a staunch supporter of the Human Rights Council since its establishment. After a decade of activities, the Council has clearly proved its crucial role as the United Nations body exclusively devoted to the promotion and protection of human rights. Apart from many important areas of the Council's mandated responsibilities, one of its major tasks is to bring a wide array of pressing issues in the field of human rights to the attention of the international community.

Poland was seriously concerned about the deferral of Human Rights Council resolution 24/24, as decided by the General Assembly in its resolution on the report of the Human Rights Council in 2013. We express even stronger regret that new steps in this respect were initiated once again in 2016. In our opinion, this practice is harmful to the human rights protection system as well as to the position of the Human Rights Council.

At the same time, with regard to the independent expert on protection against violence and discrimination based on sexual orientation and gender identity, Poland would like to stress the fact that it did not support the establishment of this mandate, as our delegation in Geneva did not join the list of co-sponsors of Human Rights Council resolution 32/2.

It is clear that Poland rejects any attempts to discriminate against any person on any grounds, including sexual orientation. It is also clear that Poland combats staunchly any attempts to use violence against LGBT persons. Moreover, we believe that the creation of the mandate of an independent expert, a decision which was not taken by consensus, will not serve the cause of fighting discrimination, but will rather lead to the further polarization of positions within the Human Rights Council. We believe that a mandate on a topic which many delegations view as highly sensitive should have been approached in a manner conducive to the elaboration of a consensual outcome, which was unfortunately not the case.

I would be grateful if the present letter could be included in the records of the seventy-first session of the General Assembly.

(*Signed*) Boguslaw **Winid**

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Seventy-first session
Agenda item 67
Right of peoples to self-determination

Letter dated 19 December 2016 from the Permanent Representative of the United Kingdom of Great Britain and Northern Ireland to the United Nations addressed to the Secretary-General

In accordance with the newly published instructions on the right of reply, the United Kingdom would like to exercise its right of reply in response to a statement made by the distinguished representative of Spain.

On 22 November, during discussions on agenda item 67 in the Third Committee, the representative of Spain made a series of claims about Gibraltar. The Secretariat did not understand the UK's request to exercise our right of reply during the meeting, meaning the session closed before we delivered our statement. Accordingly, we wish to place the following statement in the official record of proceedings:

The United Kingdom would like to exercise the right of reply in response to the statement of the distinguished representative of Spain.

The United Kingdom of Great Britain and Northern Ireland recalls its sovereignty over Gibraltar and the territorial waters surrounding it and reaffirms that, as a separate territory recognized by the United Nations and included since 1946 in its list of Non-Self-Governing Territories, Gibraltar enjoys the rights accorded to it under the Charter of the United Nations. The United Kingdom also recalls that the people of Gibraltar enjoy the right of self-determination. The 2006 Gibraltar Constitution, which was endorsed in a referendum by the people of Gibraltar, provides for a modern and mature relationship between Gibraltar and the UK.

The Government of the United Kingdom restates its long-standing commitment to the people of Gibraltar that it will not enter into arrangements under which the people of Gibraltar would pass under the sovereignty of another State against their freely and democratically expressed wishes. The United Kingdom also confirms that it will not enter into a process of sovereignty negotiations with which Gibraltar is not content.

The United Kingdom reaffirms its commitment to safeguard Gibraltar, its people and its economy.

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Her Majesty's Governments of the United Kingdom and Gibraltar remain firmly committed to the trilateral Forum for Dialogue as the most credible, constructive and practical means of strengthening UK-Gibraltar-Spain relations for the benefit of all parties. The United Kingdom regrets the fact that the Government of Spain withdrew formally from those talks in 2012.

Under the 2006 Constitution, Her Majesty's Government of Gibraltar has competence over all policy areas except for external relations, defence and internal security, which are reserved by Her Majesty's Government of the United Kingdom. Gibraltar's active participation, in its own right, in any dialogue process is therefore non-negotiable.

Gibraltar is a territory to which the European Union treaties largely apply. The UK Government has therefore committed to fully involving Her Majesty's Government of Gibraltar as we prepare for the process to exit the European Union. Otherwise, the United Kingdom's vote to leave the European Union does not change our unwavering commitment to respecting Gibraltar's wishes on sovereignty. As already noted, we will not enter into arrangements under which the people of Gibraltar would pass under the sovereignty of another State against their freely and democratically expressed wishes. Nor will the United Kingdom enter into a process of sovereignty negotiations with which Gibraltar is not content. The United Kingdom and Gibraltar remain strongly committed to talks on a trilateral basis.

I should be grateful if you would have the present letter circulated as a document of the General Assembly, under agenda item 67.

(*Signed*) Matthew **Rycroft**

United Nations A/71/697–S/2016/1079

General Assembly
Security Council

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General Assembly
Seventy-first session
Agenda item 41
Question of Cyprus

Security Council
Seventy-first year

I have the honour to transmit herewith a letter dated 16 December 2016 addressed to you by Mehmet Dânâ, Representative of the Turkish Republic of Northern Cyprus (see annex).

I would be grateful if the text of the present letter and its annex could be circulated as a document of the General Assembly, under agenda item 41, and of the Security Council.

(*Signed*) Feridun H. **Sinirlioğlu**
Permanent Representative

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Annex to the letter dated 16 December 2016 from the Permanent Represent of Turkey to the United Nations addressed to the Secretary-General

Upon instructions from my Government, I am writing in response to the letter dated 13 December 2016 (A/71/684-S/2016/1050) addressed to you by the Greek Cypriot representative in New York and circulated as a document of the General Assembly and of the Security Council, which contains false assertions similar to those made in his previous letters. In order to set the record straight, I would like to bring the following to your kind attention.

At the outset, regarding the claims of so-called infringements of international air traffic regulations and violations of the national airspace of the Republic of Cyprus by Turkey, I wish, once again, to reiterate that flights within the sovereign airspace of the Turkish Republic of Northern Cyprus take place with the full knowledge and consent of the relevant authorities of the State, over which the Greek Cypriot administration in South Cyprus has no jurisdiction or right of say whatsoever. The civil aviation authority of the Turkish Republic of Northern Cyprus is the sole competent authority to provide air traffic and aeronautical information services within its own national airspace. As for the false assertion regarding the "notices to airmen", it must be underlined that activities within the Ercan advisory airspace that require notices to airmen are carried out by the relevant authorities of the Turkish Republic of Northern Cyprus in accordance with article 3 of the Convention on International Civil Aviation (Chicago Convention).

Similarly, the claim in the letter regarding the Turkish Cypriot ports is also baseless, given the fact that the Greek Cypriot administration has no jurisdiction or right of say over Northern Cyprus. Furthermore, this claim ignores the present realities on the ground, namely, the existence of two independent self-governing States on the island of Cyprus, each exercising sovereignty and jurisdiction within its respective territory.

As to the repeated false allegations regarding Ercan Airport in the north, it should once again be underlined that the technologically up-to-date Ercan area control centre and airport in Northern Cyprus have been providing regular, reliable and safe air traffic services since the Greek Cypriot refusal in 1977 to provide air traffic services in the northern part of the island, in line with its isolation policy which has been imposed on the Turkish Cypriot people. Ever since, all flights within the sovereign airspace of the Turkish Republic of Northern Cyprus have taken place with the full knowledge and permission of the Civil Aviation Department of the Turkish Republic of Northern Cyprus, over which the Greek Cypriot administration in South Cyprus has no jurisdiction or control. Furthermore, I would like to stress that the allegation regarding the interference of radio frequencies is also totally baseless.

Moreover, the isolation imposed on the Turkish Cypriots, which the Greek Cypriot side attempts to perpetuate by encouraging the international community to deem all air- and seaports in Northern Cyprus "illegal", is in complete contravention of international law, as well as the call made by the then Secretary-General, Kofi Annan, in his report to the Security Council dated 28 May 2004 (S/2004/437), in which he clearly states: "I would hope the members of the [Security] Council can

give a strong lead to all States to cooperate both bilaterally and in international bodies to eliminate unnecessary restrictions and barriers that have the effect of isolating the Turkish Cypriots and impeding their development, deeming such a move as consistent with Security Council resolutions 541 (1983) and 550 (1984)."

The legislation of the Turkish Republic of Northern Cyprus on aeronautical safety meets all the standards and recommendations of the International Civil Aviation Organization, providing for safe and swift navigation of aircraft landing at or taking off from Ercan Airport and using airspace of the Turkish Republic of Northern Cyprus. All airports in Northern Cyprus are in full conformity with international standards, and necessary investments have been made to keep up with the developing technology. The number of air traffic controllers has been increased in accordance with the increasing number of flights over the years, and the Ercan area control centre engages in regular and close cooperation with the Ankara area control centre in order to ensure the safe conduct of all flights in the region. In 2015 alone, the number of passengers who used Ercan Airport stood at nearly 3,500,000 (compared with 3,250,000 in 2014), while a 7 per cent increase in that number is expected in 2016. Moreover, in 2015, nearly 26,000 planes used Ercan Airport for arrival and departure, and about 210,000 planes used the Ercan advisory airspace, a total which is expected to increase by 7 per cent in 2016. In that respect, it must be stressed that the Turkish Cypriot side is committed to upholding the highest standards in the field of air navigation safety, in full conformity with the Chicago Convention of 1944, and that it is ready to cooperate with the Greek Cypriot authorities on this very important issue.

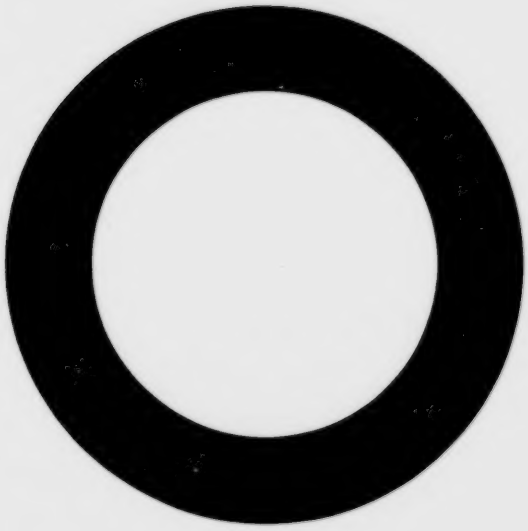
At a time when the comprehensive settlement negotiations are progressing swiftly in a results-oriented atmosphere, I deem it necessary to stress the need to fully channel all our efforts towards achieving a just and lasting settlement of the Cyprus conflict in line with the established United Nations parameters and the Joint Declaration of 11 February 2014, which envisage a new partnership on the basis of the political equality of the two peoples of the island within the framework of a bizonal, bicommunal federation with two constituent States of equal status. Moreover, the Greek Cypriot administration should once again be reminded that its counterpart is, and has always been, the Turkish Cypriot side, not Turkey.

Availing myself of the present opportunity, I would like to call upon the Greek Cypriot side to discontinue such counterproductive and outdated rhetoric, which is not reflective of the joint vision and cooperation expressed by the leaders of both communities on the island since the resumption of the settlement talks in May 2015. As the two future partners on the island of Cyprus, we should never lose sight of the fact that the solution of the Cyprus problem will deal comprehensively with all pending issues between the two sides and should thus focus all our efforts on the ultimate goal of settlement.

Finally, I would like to reiterate that we, as the Turkish Cypriot side, are committed to maintaining our constructive and positive stance within the context of your good offices mission in Cyprus and encourage our Greek Cypriot neighbours to follow a similar path.

I should be grateful if the present letter could be circulated as a document of the General Assembly, under agenda item 41, and of the Security Council.

(*Signed*) Mehmet **Dânâ**
Representative
Turkish Republic of Northern Cyprus



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Seventy-first session
Agenda item 134
Programme budget for the biennium 2016-2017

Managing after-service health insurance

Report of the Secretary-General

Summary

At its seventieth session, the General Assembly considered the report of the Secretary-General (A/70/590) on managing after-service health insurance liabilities. In that report, the Secretary-General provided an overview and analysis of health insurance covering officials and former officials, and their family members, across the United Nations system. The report was largely informed by the work of the inter-agency Working Group on After-Service Health Insurance.

The report included recommendations regarding undertaking collective negotiations with third-party administrators and health-care providers; undertaking underwriting reviews and negotiations with insurers; where appropriate, administratively practicable and financially beneficial, requiring that insured persons be enrolled for primary coverage under the national health insurance scheme of the country in which they ordinarily reside; broadening the mandate of the United Nations Joint Staff Pension Fund; standardizing the general after-service health insurance liability valuation methodology and establishing the key liability valuation factors for application across the United Nations system; and exploring opportunities for inter-agency cooperation in the investment of funds earmarked for the coverage of after-service health insurance liabilities.

Endorsing the recommendation of the Advisory Committee on Administrative and Budgetary Questions made in paragraph 32 (b) of its report A/70/7/Add.42, the General Assembly, in its resolution 70/248 B, requested that the Secretary-General maintain the Working Group in order to study further options for increasing efficiency and containing costs, and put forward specific proposals regarding those matters to the Assembly at its seventy-first session. The present report, which has been prepared by the Working Group as a follow-up to report A/70/590, is submitted by the Secretary-General to the Assembly pursuant to its request. This report, which

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has been endorsed by the Finance and Budget Network of the High-level Committee on Management of the United Nations System Chief Executives Board for Coordination, provides both a status update with regard to each of the recommendations made by the Advisory Committee to the Assembly at its seventieth session and further recommendations.

At its sixty-eighth to seventieth sessions, the General Assembly expressed the view that the rationale for setting aside budgetary resources earmarked for the purpose of funding the United Nations after-service health insurance obligation had not been sufficiently justified and that the pay-as-you-go approach should be continued "at the present time". The Secretary-General remains concerned regarding the level of unfunded after-service health insurance liability which will exert financial pressure on future budgets. This report therefore includes a detailed proposal of partial funding, from January 2020, aimed at ensuring prudential control of the escalation of the United Nations after-service health insurance liability and limiting the impact of the pay-as-you-go obligation on future budgets.

The General Assembly may wish to decide upon the endorsement of the further recommendations set out in this report and request that the Secretary-General maintain the Working Group and that a further status update be provided to the Assembly at its seventy-third session.

I. Introduction

1. At its seventieth session, the General Assembly considered the report of the Secretary-General on managing after-service health insurance liabilities (A/70/590), which provided an overview and analysis of health insurance covering officials and former officials, and their family members, across the United Nations system. While providing insight regarding the status of after-service health insurance liabilities across the system, that report did not present specific options for its funding.

2. The report of the Secretary-General was largely informed by the work of the inter-agency Working Group on After-Service Health Insurance. It is recalled that this Working Group was established by the Secretary-General under the auspices of the Finance and Budget Network of the High-level Committee on Management of the United Nations System Chief Executives Board for Coordination, pursuant to General Assembly resolution 68/244 of 27 December 2013 in which the Assembly requested the Secretary-General to undertake a survey of current health-care plans for active and retired staff within the United Nations system, to explore all options to increase efficiency and contain costs and to report thereon at its seventieth session.

3. The Working Group comprises representatives of 18 United Nations system organizations: the Food and Agriculture Organization of the United Nations (FAO), the International Atomic Energy Agency (IAEA), the International Labour Organization (ILO), the International Telecommunication Union (ITU), the United Nations Development Programme (UNDP), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Population Fund (UNFPA), the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Secretariat, the United Nations Children's Fund (UNICEF), the United Nations Industrial Development Organization (UNIDO), the United Nations Joint Staff Pension Fund (UNJSPF), the United Nations Office at Geneva, the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), the World Food Programme (WFP), the World Health Organization (WHO), the World Intellectual Property Organization (WIPO) and the World Tourism Organization. Representatives of the Coordinating Committee for International Staff Unions and Associations (CCISUA), the Federation of Associations of Former International Civil Servants (FAFICS) and the Federation of International Civil Servants' Associations (FICSA) also participate in the work of the Working Group on behalf of the body of officials and former officials, and their family members, insured under the organizations' health insurance plans.

4. The report of the Secretary-General submitted to the General Assembly at its seventieth session incorporated eight recommendations of the Working Group on the following topics:

- Recommendation 1: Collective negotiations with third-party administrators
- Recommendation 2: Collective negotiations with health-care providers
- Recommendation 3: Underwriting reviews and negotiations with insurers
- Recommendation 4: National health insurance schemes

- Recommendation 5: Broadening the mandate of the United Nations Joint Staff Pension Fund
- Recommendation 6: Standardizing general valuation methodology and the establishment and application of key after-service health insurance liability valuation factors
- Recommendation 7: Adequate funding of the after-service health insurance liability
- Recommendation 8: Investment of reserves

5. The report of the Secretary-General (A/70/590) was reviewed by the Advisory Committee on Administrative and Budgetary Questions. The conclusions and recommendations contained in the report of the Advisory Committee (A/70/7/Add.42) were endorsed by the General Assembly in its resolution 70/248 B of 1 April 2016 on special subjects relating to the programme budget for the biennium 2016-2017. In its report, the Committee recommended that the Assembly request that the Secretary-General maintain the Working Group in order to study further options for increasing efficiency and containing costs, and put forward specific proposals regarding those matters to the Assembly at its seventy-first session. The present follow-up report has been prepared by the Working Group and has been endorsed by the Finance and Budget Network and the High-level Committee on Management. It is submitted to the Assembly by the Secretary-General pursuant to the recommendation of the Advisory Committee, as endorsed by the Assembly.

6. During the period following the seventieth session of the General Assembly, the Working Group prioritized recommendations 1, 3, 4, 6 and 7, as being those recommendations in relation to which its work stands to produce the greatest impact on after-service health insurance liabilities in the short term. The main body of the present follow-up report is therefore devoted to updates on the status of those five recommendations. The structure of this report is aligned to that of report A/70/590.

7. At its sixty-eighth and seventieth sessions, the General Assembly endorsed the recommendation of the Advisory Committee that the pay-as-you-go approach to the funding of the United Nations after-service health insurance obligation be continued "at the present time" (A/68/550, para. 17, and A/70/7/Add.42, para. 28). However, the Secretary-General remains concerned about the level of unfunded after-service health insurance liability which will exert financial pressure on future budgets. Therefore, the additional purpose of this follow-up report is to elaborate on a proposal to fund newly constituted after-service health insurance liability, while maintaining a pay-as-you-go approach in relation to the existing liability. This proposed partial funding is aimed at ensuring prudential control over the escalation of the United Nations after-service health insurance liability and limiting its impact on future budgets.

8. It must be underscored that all sections of this follow-up report, except that covering recommendation 7, have applications across the United Nations system. The content of the section on recommendation 7 on adequate funding of the after-service health insurance liability is specific to the United Nations Secretariat. At the time of its consideration of report A/70/590, the Advisory Committee requested

additional information regarding the binding nature of any General Assembly decisions with respect to the governing bodies of other organizations of the United Nations system. It was explained to the Committee that those Assembly decisions would not be binding on other system organizations and that corresponding points for decision would have to be proposed to those governing bodies for formal evaluation and endorsement.

Recommendation 1: Collective negotiations with third-party administrators

9. Consistent with recommendation 1 of report A/70/590, United Nations system organizations have laid the groundwork for collective negotiation with third-party administrators, with a view to optimizing terms and conditions, including pricing, in relation to administrative services and access to the health-care provider networks. Recommendation 1 arose in part from the Working Group's finding that organizations were insufficiently acquainted with the mechanics of third-party administration and that measures needed to be taken with regard to those administrators to enable organizations to monitor performance and pricing more efficiently and effectively. The Working Group also found that the terms of reference presented by United Nations system organizations to third-party administrators could be improved so that consistency would be achieved in relation to:

- Key performance indicators
- Pricing methodology, pricing segmentation and pricing assessment base per task
- Reporting structure and frequency, and disclosure requirements
- Controls and audit
- Tendering terms of reference and contractual terms and conditions

10. Initiatives have been taken by United Nations system organizations aimed at aligning their requirements in respect of third-party administrators to best practice. To further support collective negotiation, those organizations have agreed to establish and maintain a common database in which terms of reference and contractual terms and conditions in relation to third-party administration, as well as demographic data and claims-related data, will be captured and shared. It is intended that system-wide concerted action of this order will strengthen organizations' leverage across all insurance lines.

11. The two third-party administrators with the main presence in the health insurance sphere within the United Nations system are Cigna and Allianz. These are also the two main carriers insuring outsourced health insurance risks. As reported by the Secretary-General to the General Assembly, at year-end 2014, of the 369,173 persons covered under the 23 United Nations system organization plans surveyed, 305,857 were covered under third party administered plans. Of those persons covered, 266,916, or 87.3 per cent, were covered under plans administered by Cigna.

12. United Nations system organizations that rely, to different degrees, on third party administered services have expressed varying levels of satisfaction with the

standard of delivery of those services. Those organizations have met collectively with Cigna senior management with a view to conveying the common expectation that optimal terms and conditions of service would be offered and rigorously applied across the United Nations system and that the highest standard of delivery would be met. It is intended that a similar meeting will be scheduled with Allianz.

13. The meeting between the United Nations system organizations and Cigna preceded the September 2016 biennial meeting of a community of practice of health insurance officers of international organizations. At the meetings of the community of practice, established in 2000, a broad array of health insurance-related matters are discussed, with topics ranging from elements of plan design and risk management to administrative options and after-service health insurance liability funding. Fifty-five health insurance officers, representing 32 organizations both from within and external to the United Nations system, attended the most recent community of practice meeting. United Nations system organizations are amply represented in this community of practice, currently chaired by WHO. The mixed reviews given by the United Nations system organizations of pricings and practices of third-party administrators were largely echoed by health insurance officers across the community of practice.

14. **Recommendation A. It is recommended that the Working Group established by the Secretary-General under the auspices of the Finance and Budget Network of the High-level Committee on Management of the United Nations System Chief Executives Board for Coordination be maintained so as to ensure continuity in promoting terms and conditions of service aligned to best practice, cost containment and control in the area of third-party administration of health insurance plans.**

Recommendation 2: Collective negotiations with health-care providers

15. It is recalled that, consistent with the conclusions of the Advisory Committee, the General Assembly at its seventieth session endorsed recommendation 2 of the Working Group, as contained in report A/70/590 that, building on their success in conducting collective negotiations with health-care providers in the Geneva area, the Geneva-based self-administered health insurance plans (ILO, WHO and the United Nations Staff Mutual Insurance Society) continue to identify areas in which collective negotiations with health-care providers could result in savings and operational improvements. It was also recommended that common processes be developed to support the collective negotiations and that the establishment of a common database be considered as a means of sharing information in relation to health-care provider practices, terms and conditions of agreements, and quality assessments.

16. The Geneva-based plans have continued to expand their preferred provider network in Geneva through collective negotiation. In 2015, the resulting discounts on charges associated with in-patient treatment averaged 25.0-27.0 per cent. Given the location in which the costs were incurred, the savings are substantial: for the three plans, the 2015 savings totalled an estimated $18.0 million. Savings of this order have the effect of reducing the organizations' pay-as-you-go obligations and after-service health insurance liabilities.

17. Pursuant to recommendation 2, the administrators of the three Geneva-based plans have now turned their attention to collectively developing their access to health-care provider networks in Asia and Africa, while at the same time negotiating best pricing for quality health care and minimizing pricing volatility. The Working Group will explore opportunities for cooperation of the self-administered Geneva-based plans with organizations in all locations whose health insurance plans are third party-administered, to ensure that access to health-care provider networks is optimized across the United Nations system and cost efficiencies are realized.

18. **Recommendation B. It is recommended that the Working Group pursue opportunities for the cooperation of organizations based in all locations in developing their health insurance plans' access to health-care provider networks in all regions, to ensure that best pricing for quality health care is achieved and pricing volatility is minimized.**

Recommendation 3: Underwriting reviews and negotiations with insurers

19. In report A/70/590, the Secretary-General recommended that, to provide a robust basis for challenging the terms and conditions of insurers, organizations with externally insured plans should perform periodic underwriting reviews, the results of which should be shared within the United Nations system for benchmarking purposes. In relation to this recommendation, the Advisory Committee concurred that opportunities exist for consolidation for the purpose of achieving economies and efficiencies while maintaining access to quality health care (A/70/7/Add.42, para. 14).

20. United Nations system organizations whose health insurance risks are outsourced currently place those risks with one of two insurance carriers: Allianz or Cigna. These carriers also provide third-party administration services. However, the Working Group chose in the first instance to consider pure underwriting results separately from third party administrator pricings and practices. While these can easily be reassociated to provide a complete cost and performance representation of each carrier, the Working Group is not of the view that risk and third-party administration must perforce be placed with a single entity, as is currently the case. The Working Group is of the view that the market for placement of health insurance risks should not be limited to carriers able also to provide third party administrator services.

21. Although its primary focus in relation to recommendation 3 is on health insurance risk placement, the Working Group has considered it important to establish the United Nations system's profile, in terms of both insurance premiums and underwriting results, as a global client of each of the two key insurance carriers. As a starting point, both carriers were requested to provide baseline aggregate historical underwriting data in relation to each of the following personal insurance lines:

- Staff health insurance (including after-service health insurance)
- Short-term staff insurance
- Non-staff insurance
- Staff compensation (workers' compensation) insurance

- Voluntary group life insurance (term life and disability)
- Intern insurance
- Governing body/board member insurance
- Meeting attendee insurance
- Visitor/guest insurance
- United Nations Volunteer insurance
- Goodwill Ambassador/Messenger of Peace insurance
- Junior Professional Officer insurance

22. For each insurance line, the two insurance carriers were requested to indicate the United Nations system organizations whose technical results were included in the aggregates. They were made aware that, at a later date, they could be requested to provide organization-specific technical data for cross-referencing purposes. As a matter of transparency, they were requested to disclose any information of a nature to impact their own technical results, for example, on any profit-sharing or override arrangements associated with a reinsurance cession, or any global rebates from health-care providers.

23. It must be noted that, where the health insurance risk is outsourced to one of the two key carriers, reporting requirements and periodicity in relation to underwriting results vary significantly from organization to organization within the United Nations system. The Working Group is actively engaged in promoting consistency in this regard, with the structure of the request to the two carriers for aggregate historical underwriting data serving as a reporting model. The Working Group is also recommending that, upon renewal, organizations ensure that confidentiality clauses that currently preclude sharing of information within the United Nations system are withdrawn from contracts with insurance carriers and third-party administrators.

24. Successfully negotiating with the key carriers hinges on understanding how the United Nations system's risk profile, as determined by the underwriter at insurance policy inception, has translated into actual financial performance for the carrier over time. For each insurance line or risk subset, the financial performance is expressed as a combined ratio. The combined ratio is obtained by relating total expenditure to gross premium, including reinsurance premiums and technical reserves associated with aggravated risk, such as the risk of exposure to Ebola virus disease during the deployment of the United Nations Mission for Ebola Emergency Response in West Africa. Expenditure includes claims settled and pending; claim reserves (e.g., realized annuities); claims incurred but not reported; brokerage commissions; internal and external underwriting administration costs; and any other costs or charges directly associated by the underwriter with the risk.

25. A combined ratio in excess of 100.0 per cent is indicative of an underwriting loss, which can be reduced by reinsurance recoveries, with the corresponding possible negative effect on reinsurance premiums. Conversely, a combined ratio under 100.0 per cent is indicative of an underwriting profit which can in certain

cases be increased by reinsurance recoveries, but reduced where a profit-sharing arrangement benefiting the United Nations system organization is in place.

26. Underwriting reviews are useful insofar as they inform decisions in relation to the terms and conditions of insurance or the risk placement. The Working Group considers that gaining insight into the United Nations system's risk performance in aggregate is a first step towards strengthening the organizations' combined leverage with insurance carriers. It is intended that this initial insight shall guide the Working Group's more specific analysis aimed at determining how cost efficiency can be improved in the short term, including through profit sharing or risk pooling, where warranted by technical results.

27. Over the period 2006-2015, the all-line aggregate gross premium for the two carriers was $1,235.5 million, of which 91.1 per cent, or $1,125.8 million, was written in the staff health insurance line, including after-service health insurance. Over the same 10-year period, the aggregate combined ratio was 93.7 per cent and the technical result net of profit share was $39.1 million, or 3.2 per cent of gross premium. For the staff health insurance line, the combined ratio was 94.4 per cent and the technical result net of profit share was $35.9 million, or 3.2 per cent of gross premium.

28. In 2010, Cigna acquired Vanbreda International NV, an insurance broker and health insurance third-party administrator with significant presence within the community of international and non-governmental organizations. As a result, health insurance business that had been placed with Allianz by Vanbreda as a broker was in part transferred to Cigna as from 2012. In order to safeguard its international health insurance portfolio, Allianz developed its own third-party administration capability and entered into competition with Vanbreda, renamed Cigna IGO Health Benefits in 2015.

29. The Working Group has noted the intensity of that competition as reflected in the technical data received from the two carriers. In the five-year period preceding the 2011 insurance year, the staff health insurance line produced a combined ratio of 90.2 per cent and a net profit ratio of 7.2 per cent. By contrast, over the period 2011-2015, the combined ratio for staff health insurance was 97.3 per cent and the net profit ratio 0.4 per cent. The Working Group has also noted that significant increases in gross premiums, appearing to correspond to new client acquisition, coincide with equally significant increases in gross loss ratios, obtained by relating claims expenditure before reinsurance recoveries to gross premium. This has rendered aggregate technical results erratic in several insurance years. Over the period 2011-2015, the consolidated net technical result for the staff health insurance line ranged from a $6.2 million gain to a $2.7 million loss. The Working Group notes the need for caution regarding the exposure of United Nations system organizations to onerous premium increases aimed at resorbing losses attributable to underpricing at the time of policy inception.

30. It is recalled that health insurance across the United Nations system is provided to officials and former officials following mutual insurance principles, whereby serving officials' contributions in aggregate exceed the benefits they receive while in service and the excess contributions are allocated to balancing out the aggregate deficit in respect of former officials. Application of this principle of

intergenerational solidarity translates into high continued participation in the health insurance plans after retirement.

31. In addition, although they are high in frequency, health insurance claims are rarely of a catastrophic nature. This, combined with the high participation of former officials in the United Nations system health insurance plans, makes technical results associated with those plans generally predictable, unlike the technical results associated with more volatile insurance lines: property and casualty, liability or workers' compensation. Whereas pricing in relation to these more volatile insurance lines is value-based, health insurance risks within the United Nations system can be underwritten on a cost-plus basis. It follows that there is a strong argument in favour of self-insuring the health risk, provided that sufficient critical scale can be achieved and the appropriate due diligence and controls are in place to monitor the standard of claims settlement, in particular where claims settlement is outsourced to a third-party administrator. The argument is further strengthened by the conclusions to be drawn from the technical data received from Cigna and Allianz and by the moderate risk of a carrier's withdrawal from the international staff health insurance line should net technical results fall chronically short of objective.

32. Critical scale can be attained through the pooling of organizations' health insurance risks into captive insurance arrangements, such as those established at the United Nations Secretariat, both in New York and at the United Nations Office at Geneva, along geographical or organizational lines. However, as health-care expenditure is a function of demographics which can differ markedly from organization to organization, certain organizations could face higher costs as a result of risk pooling. Equalization mechanisms therefore need to be developed in relation to plan solvency.

33. **Recommendation C. It is recommended that the Working Group urge organizations to adjust confidentiality clauses in insurance policies and contracts with third-party administrators that currently preclude the sharing of information within the United Nations system, and implement regular system-wide underwriting reviews aimed at enabling United Nations system organizations to leverage scale and technical experience in negotiating terms and conditions of insurance with health insurance carriers. It is further recommended that the Working Group promote risk pooling wherever practicable, including within captive insurance arrangements, where appropriate.**

Recommendation 4: National health insurance schemes

34. It is recalled that, in its resolution 70/248 B, on special subjects relating to the programme budget for the biennium 2016-2017, the General Assembly endorsed the conclusion of the Advisory Committee that the necessary information should be obtained regarding the appropriateness, practicability and financial effects of incorporating into the rules and regulations of United Nations system organizations' health insurance plans the requirement for insured persons to be enrolled for primary coverage under the national health insurance scheme of the country in which they ordinarily reside. Under this scenario, contributions to the national scheme would be borne by the organization health insurance plan, with that plan also providing supplementary coverage to ensure that overall coverage levels

remain equivalent to those offered under current terms and conditions of insurance. It is assumed that health-care charges to the organization plan would be reduced, with a corresponding reduction in the organization's after-service health insurance liability and without detriment to comprehensiveness or affordability of coverage for the insured persons, including when treatment is obtained outside their country of residence.

35. It is also recalled that the administrative implications, cost and effects on after-service health insurance liabilities of incorporating into plan rules and regulations the requirement for insured persons to be enrolled in a national health insurance scheme can vary, often significantly, from country to country, as well as from plan to plan. While acknowledging that savings could potentially be achieved in locations where sizeable populations of retired United Nations system officials and former officials reside, the Advisory Committee trusted that the Working Group would give due consideration to the characteristics of the national health insurance schemes.

36. Pursuant to its recommendation, the Working Group engaged Member States regarding the conditions of eligibility for primary coverage under their national health insurance schemes of persons insured under the auspices of United Nations system organizations, as well as the terms and conditions of insurance. A two-phased approach has been implemented to gathering the information that will allow the Working Group to focus on the national health insurance schemes most likely to be beneficially associated with the organization plans, with, as a measure, the interests of both the organizations and the insured persons.

37. An initial survey, comprising five questions, was developed and distributed to all permanent representatives and permanent observers to the United Nations. This was aimed at gaining insight into Member States' willingness to allow officials and former officials access to their national health insurance scheme and at obtaining baseline information regarding scope of coverage versus cost. The initial survey was designed to enable the Working Group to determine:

(a) Whether coverage under the national health insurance scheme is available or could be made available to officials and former officials, and their family members, residing in the Member State, assuming that they have never paid into the national health insurance scheme but would pay into the scheme from the date of their enrolment;

(b) What the monthly premium per person would be for coverage under the national health insurance scheme (it must be noted that allowance was made in the survey for premiums expressed as a percentage of income), assuming semi-private accommodation at the time of in-patient medical treatment and free choice of health-care provider (physician, medical institution, etc.);

(c) What the base rate of reimbursement of medical costs would be under the national health insurance scheme, assuming semi-private accommodation at the time of in-patient medical treatment and free choice of health-care provider (e.g., physician, medical institution, etc.);

(d) Where a person covered under the national health insurance scheme lives in a location bordering on another Member State, whether the national health

insurance scheme would provide for coverage of medical treatment in a publicly funded hospital in that bordering Member State;

(e) Whether the same pricing schedule as that applied to a patient covered under the national health insurance scheme would be applied to a patient covered under the national health insurance scheme of another Member State, were medical treatment to be obtained in a publicly funded hospital.

38. The survey could be completed either as a paper document or on an online survey site. Respondents were assured that the data, as well as the analysis of the responses, would be incorporated in the present follow-up report in a summary. No information specific to a Member State would be incorporated in the follow-up report, nor would deliberations in the legislative bodies in relation to the follow-up report centre on information specific to a Member State. Full confidentiality of the information provided would be ensured.

39. The Working Group will send a second survey to the permanent representatives of those Member States whose national health insurance scheme coverages are or could be made available to officials and/or former officials of United Nations system organizations, as well as to their dependent family members, living in the Member State. This second survey will be aimed at gathering the more detailed information regarding the terms and conditions of the national health insurance schemes that will enable the Working Group to establish a full country-by-country cost and benefit analysis and to assess the effect on after-service health insurance liabilities.

40. The Working Group has emphasized the complexity of the cost and benefit analysis. Whereas in certain Member States, the contribution to the national health insurance scheme is expressed as a flat rate per person, in others, the contribution is means-tested and expressed as a percentage of income. In still other Member States, health-care systems are primarily funded from general taxation and are open to all persons ordinarily resident in the country; free choice of health-care provider (physician, medical institution, etc.) may be limited, however. In a number of Member States, national health insurance schemes and health-care systems are undergoing changes which could affect the longer-term validity of the Working Group's analysis in certain cases.

41. The work of the Working Group in relation to recommendation 4 of report A/70/590 is ongoing. At the time of completion of the preparation of this follow-up report, some 5.0 per cent of permanent missions had responded to the survey. The Working Group is encouraged by the completeness of the information received, but the number of responses is currently insufficient to permit conclusions to be drawn. The permanent missions that have experienced delays in responding to the survey will be urged to respond.

Recommendation 5: Broadening the mandate of the United Nations Joint Staff Pension Fund

42. It is recalled that the Working Group, as noted in report A/70/590, having explored the option of broadening the mandate of the United Nations Joint Staff Pension Fund, concluded that this was inadvisable. It is also recalled that the Advisory Committee, in its conclusions in relation to that report, while

acknowledging the views expressed by the United Nations Joint Staff Pension Board and the Working Group, was not in a position to recommend the endorsement of recommendation 5 and remained of the view that the funding and administration of after-service health insurance benefits, being an issue of system-wide concern, would be best resolved through a system-wide approach. The Committee recommended that the Working Group continue to examine options for such a system-wide approach, without excluding a potential role for the Pension Fund.

43. In relation to its endorsement of recommendations 1 to 3 contained in report A/70/590, the Advisory Committee recognized the diversity of health insurance plans across the United Nations system in terms of both the markets in which they operate and the staff categories that they serve. The Committee also recognized the different administration models under which the various plans operate. Nevertheless, the Committee considered that opportunities existed for consolidation for the purpose of achieving economies and efficiencies while maintaining access to quality health care.

44. In considering the option of consolidating all United Nations system health insurance plans into a common health insurance arrangement operated under the auspices of the United Nations Joint Staff Pension Fund, the Working Group continued to find no evidence that financial, operational or administrative efficiencies could be achieved. This view was shared by both Pension Fund management and the Fund Board. Both management and the Board also expressed concern about any loss of focus on the part of the Fund, or any compounding of its operational complexity, which could affect delivery in its core pension business.

45. However, the Working Group recognizes the need to enable all United Nations system organizations to realize the financial advantages and administrative efficiencies associated with critical scale. Opportunities exist for smaller health insurance arrangements to merge or to be incorporated into larger plans along geographical or organizational lines, as has been achieved at the United Nations Secretariat, both in New York and in Geneva. This implies that no material discrepancies exist in coverage structure or benefits, and that agreement can be reached between organizations in relation to eligibility, service levels, participation in the funding of administration, representation in plan governance and the development of solvency equalization mechanisms.

46. **Recommendation D. It is recommended that the consideration of expanding the mandate of the United Nations Joint Staff Pension Fund cease and that the Working Group concentrate its efforts on promoting consistency in health insurance plan design and plan consolidation along geographical and organizational lines for the purpose of attaining critical scale.**

Recommendation 6: Standardizing general valuation methodology and the establishment and application of key after-service health insurance liability valuation factors

47. The yearly valuation of the after-service health insurance liability offers a snapshot of how officials' and former officials' entitlements to after-service health insurance coverage translate into a United Nations system organization's projected share of the cost of that coverage over the long term. Because the after-service

health insurance liability valuation is a point-in-time estimate of future costs based on the staff and retiree profile, as well as on actuarial assumptions as at the date of valuation, year-to-year variances in the valuation can be significant, as the liability is highly sensitive to the values determined for the key actuarial factors. It must also be noted that the methodology applied in determining those values can vary from organization to organization.

48. The after-service health insurance liability valuations of United Nations system organizations are carried out by independent actuaries in accordance with the requirements of the International Public Sector Accounting Standards. Because of diverse demographic profiles and contract policies, certain actuarial factors cannot be universally applied to the after-service health insurance liability valuations across the United Nations system. Nor is an organization whose health insurance has been outsourced to a private sector carrier always able to apply all the factors that enter into the after-service health insurance liability valuation of an organization whose health risk is either self-insured or placed within a captive insurance arrangement within the United Nations system.

49. Nevertheless, there is scope for organizations to agree on a harmonized methodology for determining the values of a number of key after-service health insurance liability valuation factors. This would allow a more homogeneous assessment of the total United Nations system liability, as well as improved organization-to-organization comparison of liabilities across the system.

50. It is recalled that, in the conclusions of its report in relation to report A/70/590, the Advisory Committee conveyed its expectation that, to the extent possible, measures would be taken by December 2017 to standardize the general valuation methodology for after-service health insurance liabilities across all United Nations system organizations (A/70/7/Add.42, para. 26). Within the framework of the Finance and Budget Network of the High-level Committee on Management, meeting this expectation was entrusted to the Task Force on Accounting Standards.

51. The valuation method commonly used across the United Nations system is the projected unit credit cost method with service prorate. With the replacement of the provisions of International Public Sector Accounting Standard 25 by those of Standard 39, the option allowing an organization to defer recognition of changes in its net defined benefit liability (known as the corridor approach) has been removed. The Task Force agreed that those organizations currently using the corridor method to account for actuarial gains and losses will have adopted the reserve method by 2018. Harmonization of the valuation method and the move to the reserve method of accounting will improve comparability significantly.

52. The Task Force reached broad agreement that a number of key after-service health insurance valuation factors could be harmonized. The financial assumption that most impacts the after-service health insurance liability valuation is the discount rate. An even modest discount rate fluctuation can have a significant effect on those valuations. The discount rate is derived from current interest yields and reflects the "time value of money". It is a determining factor in the after-service health insurance liability valuation, as after-service health insurance benefits are paid over an extended period. The Task Force agreed in principle that a 30-year yield curve for high-quality corporate bonds would be identified each year for each

of the three currencies in which health insurance benefits are most commonly paid: the United States dollar; the euro; and the Swiss franc. These yield curves would be utilized by United Nations system organizations in their after-service health insurance liability valuations, taking into consideration the estimated duration of the future cash flows. The organizations would require that their independent actuaries document, in their valuation reports, how cash flows and yield curves have been applied to arrive at a weighted average discount rate based on health insurance benefit disbursements per currency.

53. The Task Force agreed that all organizations will use the special year-end United Nations Operational Rate of Exchange for currency conversion purposes. It was also agreed that, unless inappropriate, a number of actuarial assumptions applied in United Nations Joint Staff Pension Fund projections should also be those used in after-service health insurance liability valuations in United Nations system organizations. These assumptions are reviewed by the Pension Fund Committee of Actuaries and include mortality rates, disability rates, retirement rates and pension adjustment rates. Pension Fund global assumptions on salary increases should be used, except by those organizations whose liabilities are concentrated in a single location. Organizations with a significant geographical bias will apply location-specific assumptions.

54. It was further agreed that a harmonized approach to general inflation could be taken by establishing rates for the major United Nations locations, namely, New York, Geneva, Rome and Vienna. Other locations could use their own indicative benchmarks to establish general inflation rates. The general inflation rate does not incorporate the medical trend rate which is a percentage variance representing projected price inflation, technology advances, utilization patterns and cost shifting from or to social programmes. Further analysis is required in relation to the medical trend rates to determine whether harmonized geographical assumptions can be established or whether these assumptions should be specific to each United Nations system health insurance plan. Analysis may show that a combination of both geographical and plan-specific assumptions is appropriate.

55. The potential for harmonizing the approach with other valuation factors, such as spousal coverage, plan participation and staff turnover, requires further study. In the run-up to its December 2017 deadline, in addition to formalizing its agreements in relation to the after-service health insurance valuation methodology and the key valuation factors, the Task Force will turn its attention to the methodology used in assessing annual health insurance plan administration costs and will work towards a common view on which assets should be considered eligible for use as after-service health insurance liability offsets.

56. **Recommendation E. It is recommended that the Task Force remain actively engaged in harmonizing the principles guiding liability valuation.**

Recommendation 7: Adequate funding of the after-service health insurance liability

57. Pursuant to the provisions of the International Public Sector Accounting Standards, the liabilities associated with employee benefits must be recognized in the organizations' financial statements. However, as the provisions under the

Accounting Standards do not stipulate how those liabilities should be funded, it is left to the organizations to determine the most advisable approach to ensuring that adequate resources are available to meet their recognized obligations as they fall due. It is recalled that the Advisory Committee was of the view — a view endorsed by the General Assembly — that the rationale for setting aside budgetary resources earmarked for this purpose had not been sufficiently justified by the Secretary-General.

58. The Secretary-General remains concerned about the level of unfunded after-service health insurance liability which will exert financial pressure on future budgets. The employer's share of biennial disbursements in respect of after-service health insurance can reasonably be expected to increase, from $218.1 million in 2016-2017 to $352.8 million in 2024-2025 and to $719.4 million in 2040-2041 for the entities falling directly within the scope of the decisions of the General Assembly in relation to after-service health insurance. Within the broader United Nations environment, after-service health insurance disbursements are expected to increase from $350.3 million in 2016-2017 to $610.0 million in 2024-2025 and to $1,399.3 million in 2040-2041. Partial funding of the after-service health insurance liability is therefore proposed, with the aim of ensuring prudential control over its escalation and limiting its impact on future budgets.

59. As stated in the introduction to this report, the above proposal is specific to the United Nations system organizations governed by the General Assembly. The executive heads of organizations not governed by the Assembly would need to submit separate funding proposals for consideration by their own governing bodies, or they may have already done so. It must be noted that a number of governing bodies are waiting for their own decisions to be informed by the outcome of the deliberations of the Assembly. Organizations whose governing bodies have already endorsed funding of after-service health insurance liabilities have implemented the funding following various methodologies. While recognizing that the funding of after-service health insurance liabilities is a system-wide issue, the Working Group is of the view that a single system-wide approach to addressing that issue may not be necessary or achievable.

60. It is proposed to fully fund newly constituted after-service health insurance liability while maintaining the pay-as-you-go approach for the existing liability. In this context, "newly constituted liability" means liability constituted in relation to staff recruited from 1 January 2020 only. Liability in respect of staff members already recruited but not yet entitled to after-service health insurance would be included in the assessment of the existing liability, constituted in relation to staff recruited before 1 January 2020. Newly constituted liability would be funded on an annual service cost-plus-interest cost basis, whereas the existing liability would remain unfunded and, after an initial period of continued growth, begin to decline through attrition.

61. In support of this proposal, the independent actuary for the United Nations, Ernst & Young, was requested to prepare projections of the long-term expected cash flows associated with the development of the liabilities. Projecting on a cash basis rather than on an accrual basis allows for a more accurate tracking of the actual incurrence of expenditure and recording of income. The after-service health insurance liability valuations at 31 December 2015 were the starting point in the

development of the projections and, for the sake of accuracy, the present follow-up report shows the budgetary impacts over an 87-year period (see figure I below) and over a period of some 50 years (see figures II and III below) projected from 1 January 2016, with a 2-year deferment of the funding implementation. This has no material effect on the representation of how the after-service health insurance obligations will evolve. A fully detailed projection reflecting a 1 January 2020 implementation date will be prepared subject to the guidance of the General Assembly regarding the present proposal for partial funding of the after-service health insurance liability.

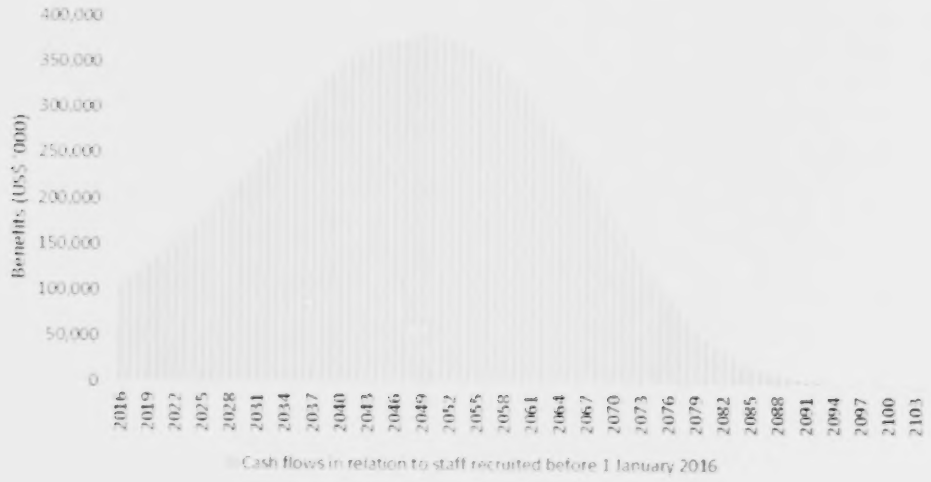
62. The perimeter of the projections represented in the figures below comprises the entities falling directly within the scope of the decisions of the General Assembly in relation to after-service health insurance, but exclude peacekeeping: the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994, the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991, the International Trade Centre, the Joint Financing Arrangement, the International Residual Mechanism for Criminal Tribunals, the United Nations, the United Nations Compensation Commission, the secretariat of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa, the United Nations Environment Programme (UNEP), the secretariat of the United Nations Framework Convention on Climate Change, the United Nations Human Settlements Programme (UN-Habitat), the United Nations Institute for Training and Research (UNITAR), the United Nations Joint Staff Pension Fund and the United Nations Office on Drugs and Crime. Peacekeeping has been excluded from the perimeter because of the fluid nature of its workforce and the resulting potential for under- or overstating the funding requirement. For the same reason, the assessment base of the liability estimated for projection purposes is the gross salary mass (excluding post adjustment) rather than total staff cost. While projections have been prepared for UNDP, UNFPA, the United Nations Office for Project Services, the United Nations University and UN-Women, they are not included in the perimeter of those presented below. Separate projections have also been prepared for peacekeeping.

63. The discount rates used by the independent actuary in preparing the long-term expected cash flow projections are those used for the most recent after-service health insurance liability valuations. However, whereas the International Public Sector Accounting Standards imposes constraints regarding the nature of investments that may be taken into account in calculating the discount rate factored into the after-service health insurance liability valuation, decisions on financing can be based on more realistic investment opportunities. The projections prepared by the independent actuary are based on an assumed rate of return on investment (ROI) transactions of 3.50 per cent. The ROI is less conservative than the discount rates taken into account in the after-service health insurance liability valuations. It is expressed as a real rate of return, i.e., as an ROI net of inflation, and is consistent with the long-term real rate of return objective of the Pension Fund.

64. Figure I shows the development over some 87 years of the liability constituted in relation to staff recruited before 1 January 2016, until its expiration through attrition in 2103. In Figure I, as in figures II and III below, the liability is represented by cash flows corresponding to the employer's share of after-service health insurance benefit payments. The total of the 31 December 2015 after-service health insurance liabilities calculated by the independent actuary for the entities included within the perimeter of the projections represented in the figures below stood at $4.3 billion.

Figure I

Development to expiration of after-service health insurance liability related to staff recruited before 1 January 2016



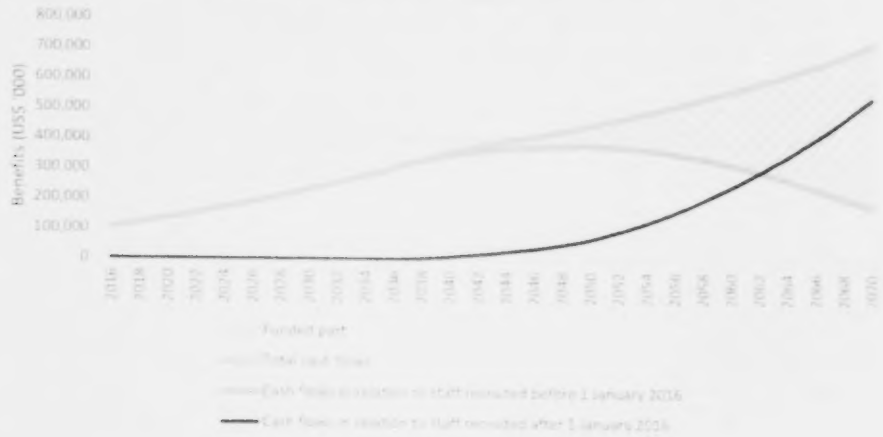
65. Figure II illustrates the development of the after-service health insurance liability over a period of some 50 years in the absence of funding. The lower curve shows the development of the after-service health insurance liability constituted in relation to staff recruited from 1 January 2016 without the proposed funding of the service cost and interest cost. The central curve represents the development of the liability constituted in relation to staff recruited before 1 January 2016. The upper curve shows the addition of the two segments of liability, i.e., the development of the total after-service health insurance liability without funding. As shown, in the absence of funding, the employer's share of yearly disbursements in respect of after-service health insurance is expected to increase by some $100.0 million every 10 years.

66. The filled area in figure II bounded by the central and upper curves represents the part of the United Nations liability that would be funded by accumulating a financial reserve sufficient, over time, to fully cover the United Nations pay-as-you-go after-service health insurance obligation in respect of staff recruited from 1 January 2018. The positive impact on future budgets is achieved by transferring

the after-service health insurance liability to the reserve in the same manner as pension-related liability is transferred to the United Nations Joint Staff Pension Fund.

Figure II

Development of total after-service health insurance liability without funding (open group basis to year-end 2070)



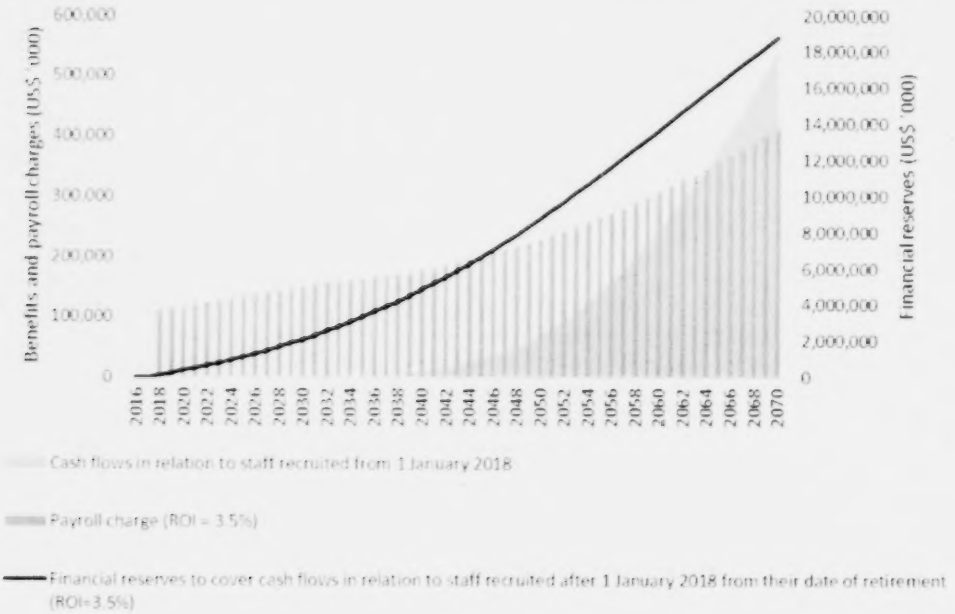
67. As shown in figure II, with the passage of time, the employer's share of after-service health insurance benefits paid to staff recruited from 1 January 2018 exceeds that of after-service health insurance benefits paid to staff recruited before that date. Ultimately, with the expiration of the liability constituted in relation to staff recruited before 1 January 2018 and the maturing of the proposed funding, the employer's share of the after-service health insurance benefits — and thus the entities' after-service health insurance liabilities — will be fully funded by the accumulated reserves.

68. The independent actuary was also requested to determine the payroll charge that would be necessary to achieve full funding of the after-service health insurance liability constituted as from 1 January 2020 (service cost) as well as its projected growth (interest cost). "Full funding" means the accumulation of a financial reserve sufficient to initially reduce and ultimately fully cover the United Nations projected pay-as-you-go after-service health insurance obligation to newly retired officials as from the date of their retirement. Although the payroll charge corresponds to the funding of newly constituted after-service health insurance liability, it is expressed as a level percentage of the total gross salary mass (excluding post adjustment) regardless of the date of recruitment.

69. Figure III illustrates the effect of the proposed funding of the service cost and interest cost, based on an open group projection, developed based on the assumption that the number of newly recruited officials eligible for after-service health insurance will match the number of retiring officials eligible for after-service health insurance. The employer's share of after-service health insurance benefit payments

to staff recruited from 1 January 2018 is represented along with the level payroll charge — 6.17 per cent of salary mass based on the 3.5 per cent return on investment — corresponding to the proposed funding of the service cost and interest cost. The curved line represents the reserve accumulation corresponding to the proposed funding. The reserve accumulation represented, which reaches $18.8 billion in 2070, is net of the employer's share of after-service health insurance benefit payments to staff recruited from 1 January 2018 and is reported as a liability offset in the organizations' after-service health insurance liability valuations. The reserve would accumulate in the same manner with a 1 January 2020 implementation date for the proposed funding.

Figure III
Funding of after-service health insurance liability related to staff recruited from 1 January 2018



70. Shown in the table below are the biennial budgetary impacts of: (a) United Nations fulfilment of its continued net pay-as-you-go obligation in respect of after-service health insurance; and (b) the 6.17 per cent payroll charge applied for the funding of the liability in respect of staff recruited from 1 January 2020. Following its 2050-2051 peak, the liability in respect of staff recruited before 1 January 2020 begins to decline, while the funded part of the overall liability continues to increase. As a result, as from the biennium 2070-2071, the budgetary impact associated with after-service health insurance begins to be reduced and, in due course, is limited to the payroll charge only. In the absence of funding, the 2068-2069 budgetary impact

would be $1.4 billion. Successive budgetary impacts would continue to escalate, as no part of the pay-as-you-go obligation would be covered by accumulated reserves.

Biennial budgetary impacts of the pay-as-you-go obligation and the payroll charge

(Thousands of United States dollars)

Biennium	*Pay-as-you-go obligation*	*Payroll charge*	*Total*
2020-2021	281 754	234 966	**516 720**
2048-2049	757 793	438 920	**1 196 713**
2068-2069	408 248	789 727	**1 197 975**

71. Although the implementation of the payroll charge would have an immediate positive effect on the after-service health insurance liability by curtailing its growth, the United Nations would be required to continue the pay-as-you-go funding of after-service health insurance corresponding to the liability constituted until 31 December 2019. A reduction in the liability calculated on a closed group basis would be reported in the organizations' after-service health insurance valuations only once the unfunded liability constituted at 31 December 2019 began to decline in 2052, primarily as a result of attrition, following a peak in benefit payments estimated at $380.0 million.

72. **Recommendation F. It is recommended that the General Assembly approve the principle of funding of the after-service health insurance liability in respect of officials recruited from 1 January 2020 so as to fully cover the United Nations pay-as-you-go obligation to those officials, as from the date of their retirement. It is also recommended that the proposed funding be confirmed by the Assembly at its seventy-second session based on a fully detailed projection reflecting the 1 January 2020 implementation date.**

Recommendation 8: Investment of reserves

73. It is recalled that, as indicated in the report of the Secretary-General (A/70/590), the Working Group, in considering avenues for the investment of funds earmarked for the coverage of after-service health insurance liabilities, recommended that United Nations system organizations explore opportunities through the Working Group on Common Treasury Services, established by the Finance and Budget Network of the High-level Committee on Management, for cooperation in leveraging existing arrangements with external asset managers, with a view to maximizing returns and minimizing management fees.

74. The Working Group cautioned that the consolidation of after-service health insurance reserves by multiple organizations for investment purposes would present particular challenges owing to both different liability funding needs and levels and ownership and governance issues. Based on the conclusion that a joint health insurance arrangement would be inadvisable, co-mingled investments would have equally limited applicability. Nevertheless, the sharing of investment strategies and joint bidding for investment managers of individual portfolios is an area that the Working Group was committed to exploring further.

75. As the General Assembly had taken no decision regarding the funding of after-service health insurance liability at the time of the Working Group's recommendation, the Advisory Committee was not in a position to recommend its endorsement. However, while not ruling out the possibility of establishing an inter-agency facility for the investment of accumulated reserves, the Committee saw merit in the Working Group's recommendation.

76. A Request for Proposals was issued by UNDP on behalf of the United Nations Capital Development Fund (UNCDF), UNDP, UNFPA, UNICEF and UN-Women, all New York-based organizations, which resulted in the selection of two external investment management firms charged with the investment of after-service health insurance-related reserves totalling over $1.1 billion. These assets are invested in accordance with instructions received from a common investment management committee, comprising representatives of the five organizations. The assets are pooled for investment purposes, but are ring-fenced in separate organization-specific accounts lodged in a common bank. This cooperative approach is intended to result in lower management fees and better investment returns than were previously experienced, and in a better alignment of the investment of the after-service health insurance-related assets to the underlying liabilities.

77. In support of a number of United Nations system organizations that have set aside reserves earmarked for the coverage of their after-service health insurance liabilities, the Working Group on Common Treasury Services is pursuing opportunities for collaboration along the lines of the initiative of UNCDF, UNDP, UNFPA, UNICEF and UN-Women. This will serve as a sound foundation pending decisions by the General Assembly and other United Nations system governing bodies related to the funding of after-service health insurance liabilities.

78. **Recommendation G. It is recommended that the Working Group on Common Treasury Services, established by the Finance and Budget Network of the High-level Committee on Management, continue to promote inter-agency collaboration with respect to the investment of funds earmarked for the coverage of after-service health insurance liabilities.**

79. **The Secretary-General suggests that the General Assembly may wish to:**

(a) **Welcome and take note of the present report;**

(b) **Endorse recommendations A to G contained in the report;**

(c) **Request the Secretary-General to maintain the Working Group and further update the General Assembly regarding these matters at its seventy-third session, in particular regarding the conclusions of the Working Group in relation to the enrolment of insured persons for primary coverage under the national health insurance schemes of Member States.**

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General Assembly

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Seventy-first session
Agenda item 128
International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991

Letter dated 19 December 2016 from the President of the Security Council addressed to the President of the General Assembly

I have the honour to draw your attention to the text of resolution 2329 (2016), adopted by the Security Council at its 7842nd meeting, held on 19 December 2016.

(*Signed*) Román **Oyarzun Marchesi**
President of the Security Council

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Security Council

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Seventy-first session
Agenda item 34
The situation in the Middle East

Security Council
Seventy-first year

Identical letters dated 15 December 2016 from the Chargé d'affaires a.i. of the Permanent Mission of Lebanon to the United Nations addressed to the Secretary-General and the President of the Security Council

On instructions from my Government, I transmit to you herewith a statistical summary of Israeli violations of Security Council resolution 1701 (2006) committed during the month of November 2016 (see annex).

I should be grateful if the present letter and its annex could be circulated as a document of the seventy-first session of the General Assembly, under agenda item 34, and of the Security Council.

(*Signed*) Caroline **Ziade**
Chargé d'affaires a.i.

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Annex to the identical letters dated 15 December 2016 from the Chargé d'affaires a.i. of the Permanent Mission of Lebanon to the United Nations addressed to the Secretary-General and the President of the Security Council

Land violations committed in November 2016

Date	*Time*	*Nature of violation*
3 November	1030	The Israeli enemy continued work it had begun on 15 August 2016 inside the occupied Shab'a Farms opposite observation point OP2 of the United Nations Interim Force in Lebanon (UNIFIL) Indian contingent between the old Shahal post and the Radar post, using a D9 bulldozer and two trench-diggers escorted by a hostile patrol. The Israeli enemy finished its work at 1530 hours, and the vehicles left in the direction of occupied territory.
6 November	1015	Opposite the town of Blida at point BP28, an Israeli enemy patrol comprising two Hummer vehicles approached. Four soldiers disembarked and dismantled a metal box containing equipment for maintaining the technical fence. The hostile soldiers directed curses at a Lebanese Army patrol that was observing the activity from the Lebanese side. At 1030 hours, the two vehicles left in the direction of occupied territory.
8 November	0900	The Israeli enemy continued work it had begun on 15 August 2016 inside the occupied Shab'a Farms at Jabal al-Shahal, using a D9 bulldozer and three trench-diggers escorted by a patrol comprising 20 soldiers and a Merkava tank. The Israeli enemy finished its work at 1630 hours.
	1000 1030	Opposite the town of Alma al-Sha'b, while Israeli enemy forces were clearing brush north of the technical fence in the area around point BP5 with a trench-digger, the mechanical arm of the trench-digger crossed over the Blue Line into Lebanese territory. An enemy Hummer vehicle escorting the trench-digger pointed its machine gun at Lebanese Army patrol members.
9 November	1330	On the outskirts of the town of Kafr Shuba, Israeli enemy forces violated the line of withdrawal and abducted the shepherd Ahmad al-Samman (a Syrian). At 1630 hours, they released him near observation point OP4 belonging to the Indian UNIFIL contingent.
	1430	From inside occupied Palestinian territory in the area surrounding point B3 east of Ra's al-Naqurah, members of an Israeli enemy patrol pointed their weapons at a Lebanese Army patrol.
	1600	From inside occupied Palestinian territory south of Dahirah, an Israeli enemy armoured personnel carrier pointed its weapon at a Lebanese Army patrol.
10 November	1050	Between Tallat al-Ibad and Manarah, near point B71-2, while five civilians were in the vicinity of the Blue Line inside Lebanese territory, an Israeli enemy patrol threw a smoke bomb inside occupied territory. Members of the hostile patrol pointed their firearms in the direction of said civilians.

Date	*Time*	*Nature of violation*
14 November	0940	From inside occupied territory opposite the town of Mays al-Jabal near points B70, B71 and BP32, Israeli enemy soldiers pointed their weapons at Lebanese territory.
	1810	On the outskirts of the town of Kafr Shuba, Israeli enemy soldiers shone a flashlight from their position at Jabal al-Rus (Ruwaysat al-Alam) towards the Lebanese Army L360 position.
16 November	0930	Opposite the town of Aytarun, while the Israeli enemy was clearing brush using a trench-digger, the mechanical arm of the trench-digger crossed approximately one and a half metres over the Blue Line into Lebanese territory between points M6-2 and BP27.
17 November	0900	Opposite the town of Aytarun, while the Israeli enemy was clearing brush using a trench-digger, the mechanical arm of the trench-digger crossed the Blue Line into Lebanese territory several times between points M6-2 and BP26.
20 November	0900	From inside occupied Palestinian territory opposite the town of Rumaysh, members of an Israeli enemy patrol pointed their firearms at a Lebanese Army patrol.
	1130 1300	Several explosions were heard from inside the occupied Shab'a Farms.
	–	A fire broke out on the outskirts of the towns of Zahirah and Yarin, causing some 14 landmines previously laid by the Israeli enemy to explode. There were no injuries.
	–	A fire broke out on the outskirts of the town of Bustan at Birkat Risha, causing some 145 landmines previously laid by the Israeli enemy to explode. There were no injuries. At 2120 hours, an Israeli enemy fire engine sprayed water at Lebanese territory from inside occupied territory opposite Birkat Risha to prevent the fire from spreading into occupied Palestinian territory.
	1250 1545	Opposite Ra's al-Naqurah, in the area surrounding point M2, while an Israeli enemy trench-digger was clearing brush from the surrounding area, the mechanical arm of the trench-digger crossed the technical fence by about two metres in the area to which Lebanon maintains a claim.
21 November	1115	On the outskirts of the town of Alma al-Sha'b at Ayn Alma, a fire broke out, causing some nine landmines previously laid by the Israeli enemy to explode. There were no injuries.
	–	From inside occupied territory, the Israeli enemy directed a searchlight from its position at Ra's al-Naqurah towards the Lebanese Army observation tower for a period of 10 seconds.

Date	*Time*	*Nature of violation*
	1230	On the outskirts of Kafr Shuba at Birkat Ba'tha'il, an Israeli enemy patrol comprising a Merkava tank and two armoured personnel carriers approached. Some 10 soldiers disembarked and crossed the line of withdrawal (the Blue Line in the area to which Lebanon maintains a claim). They attempted unsuccessfully to abduct the shepherd Ramzi Abdul'al. However, the aforementioned patrol led a herd of goats back into occupied territory. At 1900 hours, the Israeli enemy returned the aforementioned herd of goats.
22 November	1035	Two Israeli enemy bulldozers were observed moving from the Fashkul post towards the Abbasiyah post inside the occupied Shab'a Farms. The aforementioned forces fired several bursts of medium machine-gun fire at the perimeter of the Fashkul post.
23 November	0750	Inside the occupied Shab'a Farms, at the Israeli enemy Radar post, an explosion was heard and rising smoke was observed.
	0920 1045	From inside occupied Palestinian territory opposite the town of Blida near point M6, Israeli enemy patrol members pointed their weapons at an Observer Group Lebanon patrol stationed inside Lebanese territory.
26 November	1330	From inside occupied Palestinian territory, while two Humvee vehicles were travelling towards Tall Murad, the occupants pointed a 12.7 mm machine gun at a Lebanese Army patrol near the Lebanese Army Lahlah position. The two vehicles left in the direction of occupied territory at 1350 hours.
28 November	0900	Opposite the town of Alma al-Sha'b, two Israeli enemy excavators moved blocks, removed fortifications and moved prefabricated sheds located at the enemy position east of Hanita 2, near point BP6 approximately 100 metres to the west of the aforementioned position. The excavators were escorted by two Hummer vehicles. At 0935 hours, one of the enemy personnel pointed a machine gun mounted on the Hummer vehicle at members of a Lebanese army patrol. The work ended at 1635 hours, and the patrol left in the direction of occupied territory.
29 November	1615	On the outskirts of Alma al-Sha'b, while Lebanese Army personnel were conducting a routine patrol along the border opposite point BP6, an Israeli enemy patrol pointed its machine guns at the Lebanese Army patrol personnel.

Sea violations committed in November 2016

Date	*Time*	*Nature of Violation*
2 November	1649	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) of 1 October 2011, for a four-minute period, and proceeded on its way for some 170 metres. The launch then left in the direction of occupied Palestinian territorial waters.
3 November	0505	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) for a five-minute period, and proceeded on its way for some 590 metres. The launch then left in the direction of occupied Palestinian territorial waters.
	0509	From inside occupied Palestinian territorial waters off Ra's al-Naqurah, an Israeli enemy military launch directed a searchlight towards Lebanese territorial waters for a one-minute period.
	0532	From inside occupied Palestinian territorial waters off Ra's al-Naqurah, an Israeli enemy military launch directed a searchlight towards Lebanese territorial waters for a three-minute period.
	0538	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) for a four-minute period, and proceeded on its way for some 500 metres. The launch then left in the direction of occupied Palestinian territorial waters. At 0544 hours, it violated the boundary again, for a three-minute period, and proceeded on its way for some 405 metres. It also sounded warning sirens. The launch then left in the direction of occupied Palestinian territorial waters.
	0838	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011), for a two-minute period, and proceeded on its way for some 260 metres. The launch then left in the direction of occupied Palestinian territorial waters.
	1306	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) for a four-minute period, and proceeded on its way for some 240 metres. The launch then left in the direction of occupied Palestinian territorial waters. At 1350 hours, it violated the boundary again, for a five-minute period, proceeding some 240 metres, and released divers. The launch then left in the direction of occupied Palestinian territorial waters.
4 November	1531	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) for a three-minute period, and proceeded on its way for some 240 metres. The launch then left in the direction of occupied Palestinian territorial waters.

Date	*Time*	*Nature of Violation*
6 November	1405	Opposite Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree 6433 (2011), for a five-minute period, and proceeded on its way for some 200 metres into Lebanese territorial waters. The launch then left in the direction of occupied Palestinian territorial waters. At 1538 hours, it violated the boundary again, for a two-minute period, and proceeded on its way for some 180 metres. The launch then left in the direction of occupied Palestinian territorial waters.
7 November	1618	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011), for a two-minute period, and proceeded on its way for some 90 metres. The launch then left in the direction of occupied Palestinian territorial waters.
	1743	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011), for a two-minute period, and proceeded on its way for some 150 metres. The launch then left in the direction of occupied Palestinian territorial waters.
10 November	1047	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) for a 15-minute period, and proceeded on its way for some 330 metres. The launch then left in the direction of occupied Palestinian territorial waters. At 1107 hours, it again violated the boundary, for a 22-minute period, and proceeded on its way for some 445 metres. The launch then left in the direction of occupied Palestinian territorial waters. At 1209 hours, it again violated the boundary, for a 20-minute period, and proceeded on its way for some 315 metres. The launch then left in the direction of occupied Palestinian territorial waters.
11 November	0331	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) for a one-hour-and-22-minute period, and proceeded on its way for some 70 metres. The launch then left in the direction of occupied Palestinian territorial waters.
	0900	Off Ra's al-Naqurah, eight plastic balloon-shaped objects — two of them blue, two of them black, one of them pink and three of them white — belonging to the Israeli enemy crossed the southern maritime boundary established by decree No. 6433 (2011).
	1750	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) for a 20-minute period, and proceeded on its way for some 380 metres. The launch then left in the direction of occupied Palestinian territorial waters.
	2148	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) for a three-minute period, and proceeded on its way for some 245 metres. The launch then left in the direction of occupied Palestinian territorial waters.

Date	*Time*	*Nature of Violation*
19 November	1648	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) for a two-minute period, and proceeded on its way for some 170 metres. The launch then left in the direction of occupied Palestinian territorial waters.
21 November	1606	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) for a two-minute period, and proceeded on its way for some 300 metres. The launch then left in the direction of occupied Palestinian territorial waters.
22 November	1628	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) for a three-minute period, and proceeded on its way for some 290 metres. The launch then left in the direction of occupied Palestinian territorial waters.
23 November	1418	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) for a two-minute period, and proceeded on its way for some 240 metres. The launch then left in the direction of occupied Palestinian territorial waters.
24 November	1606	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) for a four-minute period, and proceeded on its way for some 220 metres. The launch then left in the direction of occupied Palestinian territorial waters.
25 November	1542	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) for a three-minute period, and proceeded on its way for some 225 metres. The launch then left in the direction of occupied Palestinian territorial waters.
27 November	0340	From inside occupied Palestinian territory, the Israeli enemy directed a searchlight towards Lebanese territory from its position opposite Ra's al-Naqurah.
	0513	Off Ra's al-Naqurah, the crew of an Israeli enemy military launch directed a searchlight towards Lebanese territorial waters and sounded warning sirens.
	0516	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) for a five-minute period, and proceeded on its way for some 185 metres. The launch then left in the direction of occupied Palestinian territorial waters. It also released a charge into occupied Palestinian territorial waters and sounded warning sirens.
	0635	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree No. 6433 (2011) for a five-minute period, and proceeded on its way for some 426 metres. The launch then left in the direction of occupied Palestinian territorial waters.
	2240 2245	From inside occupied Palestinian territory at its position off Ra's al-Naqurah, the Israeli enemy directed a searchlight towards Lebanese territorial waters.

Date	*Time*	*Nature of Violation*
28 November	1246	Off Ra's al-Naqurah, an Israeli enemy military launch violated the southern maritime boundary established by Decree 6433 (2011), for a one-hour-and-42-minute period, and proceeded on its way for some 260 metres. The launch then left in the direction of occupied Palestinian territorial waters. At 1337 hours, it again violated the boundary, for a 51-minute period, and proceeded on its way for some 260 metres. The launch then left in the direction of occupied Palestinian territorial waters.

Air violations committed in November 2016

Date	*Time*	*Nature of Violation*
2 November	1300	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Naqurah. It circled over Iqlim al-Kharrub, Dinniyah, and the Jubayl, Kasrawan and Batrun districts before leaving at 1735 hours over Kafr Killa.
	1305	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Naqurah. It circled over Ba'abda, Beirut, and the Jubayl, Kasrawan, Riyaq, Baalbek and Hirmil districts before leaving at 1945 hours over Kafr Killa.
	1340	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Naqurah. It circled over Ba'abda and Beirut and its suburbs before leaving at 2000 hours over Kafr Killa.
3 November	0610	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Naqurah. It circled over Beirut and its suburbs and Baabda before leaving at 2140 hours over Naqurah.
	0805	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Kafr Killa. It circled over Kafr Killa, Riyaq, Baalbek, Hirmil and Akkar before leaving at 1505 hours over Kafr Killa.
	0910	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over the sea west of Naqurah. It circled over the Western Bekaa and the South before leaving at 2045 hours over Kafr Killa.
	1245	Two Israeli enemy warplanes violated Lebanese airspace, entering over Kafr Killa. They circled over all regions of Lebanon before leaving at 1415 hours over Kafr Killa.
	2150	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Kafr Killa. It circled over Riyaq, Baalbek and Hirmil before leaving at 0300 hours on 4 November 2016 over Kafr Killa.
4 November	0805	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Alma al-Sha'b. It circled over Beirut and its suburbs before leaving at 1900 hours over Alma al-Sha'b.

Date	*Time*	*Nature of Violation*
5 November	0550	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Alma al-Sha'b. It circled over Beirut and its suburbs before leaving at 1750 hours over Naqurah.
	0825	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Kafr Killa. It circled over the South, before leaving at 1300 hours over Alma al-Sha'b.
6 November	0900	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Rumaysh. It circled over the South before leaving at 1415 hours over Rumaysh.
	1015	An Israeli enemy reconnaissance aircraft violated Lebanese territory, entering over Naqurah. It circled over the Shuf, the South, the sea off Beirut and Beirut and its suburbs before leaving at 1925 hours over Naqurah.
	1200	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Kafr Killa. It circled over Hasbayya, Rashayya al-Wadi and the South before leaving at 1655 hours over Alma al-Sha'b.
7 November	0605	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Naqurah. It circled over Beirut and its suburbs and Ba'abda before leaving at 2330 hours over Naqurah.
	0930	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Kafr Killa. It circled over the Western Bekaa and the South before leaving at 1820 hours over Alma al-Sha'b.
	2350	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Naqurah. It circled over the Shuf and the South before leaving at 0435 hours on 8 November 2016 over Rumaysh.
8 November	0600	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Rumaysh. It circled over Riyaq and Baalbek before leaving at 1930 hours over Kafr Killa.
	0605	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Kafr Killa. It circled over Riyaq, Baalbek, Hirmil and Beirut and its suburbs before leaving at 2310 hours over Alma al-Sha'b.
	0635	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Naqurah. It circled over Beirut and its suburbs and Ba'abda before leaving at 1400 hours over Alma al-Sha'b.
9 November	0610	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Alma al-Sha'b. It circled over Beirut and its suburbs before leaving at 2320 hours over Naqurah.

Date	*Time*	*Nature of Violation*
	0615	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Kafr Killa. It circled over the South before leaving at 0030 hours on 10 November 2016 over Alma al-Sha'b.
	0925	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Alma al-Sha'b. It circled over the South before leaving at 1635 hours over Rumaysh.
	0940	Two Israeli enemy warplanes violated Lebanese airspace, entering over Kafr Killa. They circled over all regions of Lebanon before leaving at 1135 hours over Alma al-Sha'b.
	1730	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Alma al-Sha'b. It circled over Riyaq and Baalbek before leaving at 1950 hours over the sea west of Naqurah.
	1825	Two Israeli enemy warplanes violated Lebanese airspace, entering over the sea west of Batrun. That circled over all regions of Lebanon before leaving at 1940 hours over Kafr Killa.
10 November	0835	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Alma al-Sha'b. It circled over the South and the Shuf before leaving at 1455 hours over Alma al-Sha'b.
11 November	0845	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Kafr Killa. It circled over Riyaq, Baalbek and Hirmil before leaving at 1520 hours over Kafr Killa.
	0935	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over the sea west of Sidon. It circled over Iqlim al-Kharrub before leaving at 2240 hours over the sea west of Tyre.
	1525	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Naqurah. It circled over the Shuf and Iqlim al-Kharrub before leaving at 1945 hours over Alma al-Sha'b.
12 November	0900	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over the sea west of Naqurah. It circled over the South and the Western Bekaa before leaving at 1515 hours over Alma al-Sha'b.
	0915	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Alma al-Sha'b. It circled over the South and the Shuf before leaving at 1630 hours over Rumaysh.
	1145	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over the sea west of Naqurah. It circled over Beirut and its suburbs before leaving at 1900 hours over Alma al-Sha'b.

Date	*Time*	*Nature of Violation*
13 November	0605	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Alma al-Sha'b. It circled over Beirut and its suburbs before leaving at 1415 hours over Rumaysh.
	0740	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Alma al-Sha'b. It circled over the South, the Shuf, Riyaq and Baalbek before leaving at 1830 hours over Rumaysh.
14 November	0930	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Riyaq and the South. It circled over the Beirut and its suburbs before leaving at 1100 hours over Kafr Killa.
	1250	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Naqurah. It circled over Beirut and its suburbs, the South, Ba'abda and the South again before leaving at 2225 hours over Alma al-Sha'b.
15 November	1110	Two Israeli enemy warplanes violated Lebanese airspace, entering over the sea west of Beirut. They left at 1120 hours over the sea west of Shikka.
16 November	1215	Four Israeli enemy warplanes violated Lebanese airspace, entering over the sea west of Sidon. They circled over all regions of Lebanon before leaving at 1320 hours over the sea west of Naqurah.
17 November	1005	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Alma al-Sha'b. It circled over Beirut and its suburbs before leaving at 1610 hours over Naqurah.
18 November	1100	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Kafr Killa. It circled over Beirut and its suburbs and Ba'abda before leaving at 1445 hours over Naqurah.
	1315	Two Israeli enemy warplanes violated Lebanese airspace, entering over the sea west of Damur. They circled over all regions of Lebanon before leaving at 1515 hours over the sea west of Shikka.
19 November	1725	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Alma al-Sha'b. It circled over the South and the Western Bekaa before leaving at 2015 hours over Rumaysh.
20 November	1000	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Kafr Killa. It circled over Beirut and its suburbs and the South before leaving at 2000 hours over Alma al-Sha'b.
21 November	0625	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Alma al-Sha'b. It circled over Beirut and its suburbs before leaving at 1840 hours over Yarun.
22 November	0820	An Israeli enemy reconnaissance aircraft violated Lebanese airspace. It circled over the Beirut and its suburbs and Ba'abda and its suburbs before leaving at 1820 hours over Alma al-Sha'b.

Date	*Time*	*Nature of Violation*
23 November	1025	Two Israeli enemy warplanes violated Lebanese airspace, entering over the sea west of Beirut. They circled over all regions of Lebanon before leaving at 1230 hours over the sea west of Naqurah.
	1910	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Rumaysh. It circled over the South before leaving at 2315 hours over Alma al-Sha'b.
24 November	0945	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Alma al-Sha'b. It circled over the South and the Western Bekaa before leaving at 1600 hours over Rumaysh.
	1115	Two Israeli enemy warplanes violated Lebanese airspace, entering over Kafr Killa. They circled over all regions of Lebanon before leaving at 1300 hours over Alma al-Sha'b.
29 November	0650	An Israeli enemy reconnaissance aircraft violated Lebanese airspace, entering over Alma al-Sha'b. It circled over Beirut, the Shuf and the South before leaving at 1215 hours over Alma al-Sha'b.

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United Nations pension system

Report of the Fifth Committee

Rapporteur: Ms. Diana Minyi **Lee** (Singapore)

I. Introduction

1. At its 2nd plenary meeting, on 16 September 2016, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its seventy-first session the item entitled "United Nations pension system" and to allocate it to the Fifth Committee.

2. The Fifth Committee considered the item at its 14th and 23rd meetings, on 28 November and 23 December 2016. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records.[1]

3. For its consideration of the item, the Committee had before it the following documents:

(a) Report of the United Nations Joint Staff Pension Board on its sixty-third session (A/71/9);

(b) Report of the Secretary-General on the investments of the United Nations Joint Staff Pension Fund and measures undertaken to increase the diversification of the Fund (A/C.5/71/2);

(c) Financial report and audited financial statements for the year ended 31 December 2015 and report of the Board of Auditors (A/71/5/Add.16);

(d) Report of the Secretary of the United Nations Joint Staff Pension Board on the implementation of the recommendations of the Board of Auditors contained in its report for the year ended 31 December 2015 on the United Nations Joint Staff Pension Fund (A/71/397);

[1] A/C.5/71/SR.14 and A/C.5/71/SR.23.

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(c) Related report of the Advisory Committee on Administrative and Budgetary Questions (A/71/621).

II. Consideration of draft resolution A/C.5/71/L.6

4. At its 23rd meeting, on 23 December, the Committee had before it a draft resolution entitled "United Nations pension system" (A/C.5/71/L.6), submitted by the Chair of the Committee on the basis of informal consultations coordinated by the representative of the Dominican Republic.

5. At the same meeting, the Committee adopted draft resolution A/C.5/71/L.6 without a vote (see para. 6).

III. Recommendation of the Fifth Committee

6. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

United Nations pension system

The General Assembly,

Recalling its resolution 69/113 of 10 December 2014 and its resolution 70/238 A and section VI of its resolution 70/248 A of 23 December 2015,

Having considered the report of the United Nations Joint Staff Pension Board for 2016,[1] the report of the Secretary-General on investments of the United Nations Joint Staff Pension Fund and measures undertaken to increase the diversification of the Fund,[2] the financial report and audited financial statements for the year ended 31 December 2015 and the report of the Board of Auditors on the United Nations Joint Staff Pension Fund[3] and the recommendations contained therein, the report of the Secretary of the United Nations Joint Staff Pension Board on the implementation of the recommendations of the Board of Auditors contained in its report for the year ended 31 December 2015 on the United Nations Joint Staff Pension Fund[4] and the related report of the Advisory Committee on Administrative and Budgetary Questions,[5]

1. *Takes note* of the report of the United Nations Joint Staff Pension Board for 2016[1] and the report of the Secretary-General on investments of the United Nations Joint Staff Pension Fund and measures undertaken to increase the diversification of the Fund;[2]

2. *Also takes note* of the report of the Secretary of the United Nations Joint Staff Pension Board on the implementation of the recommendations of the Board of Auditors contained in its report for the year ended 31 December 2015 on the United Nations Joint Staff Pension Fund;[4]

3. *Endorses* the conclusions and recommendations of the Advisory Committee on Administrative and Budgetary Questions,[5] subject to the provisions of the present resolution;

Actuarial matters

4. *Notes* the valuation results reporting a surplus of 0.16 per cent as at 31 December 2015, and in this regard stresses the importance of continuing to earn the necessary 3.5 per cent annual real rate of return on a long-term basis for the future solvency of the Fund;

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[1] *Official Records of the General Assembly, Seventy-first Session, Supplement No. 9* (A/71/9).
[2] A/C.5/71/2.
[3] A/71/5/Add.16.
[4] A/71/397.
[5] A/71/621.

Financial statements of the United Nations Joint Staff Pension Fund and report of the Board of Auditors

5. *Welcomes* the preparation and submission to the General Assembly of the separate report of the Board of Auditors on the United Nations Joint Staff Pension Fund, and commends the efforts of all stakeholders;

6. *Notes* that the Board of Auditors issued an unqualified audit opinion on the financial statements of the Fund for the year ended 31 December 2015;

7. *Stresses* the need for the Fund to address all the weaknesses identified by the Board of Auditors in relation to vacancies in key positions, risk management, investment management, management of external fund managers, benefits payment management and other administrative processes;

Governance and administration

8. *Recognizes* that the Financial Regulations and Rules of the United Nations[5] remain the highest framework governing all aspects related to the administrative services provided by the United Nations Secretariat, including the procurement of goods and services, the management of property and internal and external audit arrangements;

9. *Emphasizes* that the Office of Internal Oversight Services shall remain the sole internal oversight body of the Fund's secretariat and investment, in line with the mandate given to the Office by the General Assembly in its resolution 48/218 B of 29 July 1994, and stresses that any change to the mandate in this regard remains the sole prerogative of the Assembly;

10. *Approves* an amendment to article 41 of the regulations of the Fund as provided in annex XIII to the report of the Pension Board to reflect the adoption of the medical standard of "fit for employment" for participation in the Fund;

11. *Also approves* a technical amendment to clarify the language of article 24 of the regulations, as set out in annex XIII to the report of the Pension Board;

12. *Further approves* an amendment to paragraph 26 of the Fund's pension adjustment system to reflect that, in cases of reinstatement, a new local currency track benefit would be established as from the date of reinstatement using the 36 month average of exchange rates ending as at that date, as set out in annex XV to the report of the Pension Board;

13. *Welcomes* the successful implementation of the Integrated Pension Administration System, and stresses the need for continued efforts to address underlying challenges, taking into account the observations, comments and recommendations of the Board of Auditors and the Advisory Committee on Administrative and Budgetary Questions;

14. *Expresses serious concern* at the continued delays in the receipt of payments by some new beneficiaries and retirees of the Fund, once again stresses the need for the Pension Board to take appropriate steps to ensure that the Fund

[5] ST/SGB/2013/4.

addresses the causes of such delays, and in this regard requests an update in the context of the next report of the Pension Board;

15. *Notes with concern* that the delays in the payments may place beneficiaries and retirees, as well as their families, in difficult situations, and in this regard requests the Secretary-General, as Chair of the United Nations System Chief Executives Board for Coordination, to invite the heads of member organizations to take the appropriate steps, including by expediting information processing for new beneficiaries and retirees, to resolve this situation;

16. *Looks forward* to the results of the review of the end-to-end process aimed at identifying streamlining opportunities during all phases of the process in cooperation with member organizations of the Fund, and in this regard requests the Pension Board to ensure that the Fund completes the review, as a matter of priority, and to report on measures taken to address identified bottlenecks in the context of the next report of the Board;

17. *Notes with concern* the high number of vacant posts in the Pension Fund, and in this regard requests the Pension Board to ensure that the Fund takes appropriate measures to fill all the vacant posts in the Fund secretariat in full compliance with relevant provisions governing recruitment;

18. *Decides* to establish nine additional temporary positions for the period from 1 January to 31 December 2017, as set out in the table below:

Organizational unit	*Title of position*	*Number of positions*	*Category/level*
Administration			
Programme of work			
Operations (New York)	Benefits Officer	1	P-3
	Benefits Assistant	6	General Service (Other level)
Operations (Geneva)	Benefits Officer	1	P-3
	Benefits Assistant	1	General Service (Other level)
Total		**9**	

19. *Approves* the additional provision of 977,100 United States dollars for general temporary assistance for the biennium 2016-2017;

20. *Also approves* an increase in total resources for the biennium 2016-2017 from 179,078,300 dollars to 180,055,400 dollars, as a result of which the United Nations share of the cost of the administrative expenses of the Fund would remain unchanged at 21,865,300 dollars, and notes that extrabudgetary costs remain unchanged at 164,700 dollars;

Investments of the United Nations Joint Staff Pension Fund

21. *Reaffirms* that, in accordance with article 19 of the regulations of the Fund, the Secretary-General serves as fiduciary for the investment of the assets of the Fund and has fiduciary responsibility for deciding on the investment of the assets of the Fund;

22. *Requests* the Secretary-General, as fiduciary for the investment of the assets of the Fund, to continue to diversify its investments between developed, developing and emerging markets, wherever this serves the interests of the participants and the beneficiaries of the Fund, and also requests the Secretary-General to ensure that decisions concerning the investments of the Fund in any country are implemented prudently, taking fully into account the four main criteria for investment, namely safety, profitability, liquidity and convertibility, under volatile market conditions;

23. *Encourages* the Secretary-General, as fiduciary for the investment of the assets of the Fund, to continue to explore prospects in all markets, taking into account risk-return profiles and always applying sound risk management techniques, and taking fully into account the four main criteria for investments of the Fund;

24. *Recalls* paragraph 29 of the report of the Advisory Committee,[5] expresses concern at the near-term underperformance of investments, emphasizes the importance of the Fund meeting its target annual real rate of return of 3.5 per cent over the long term, and in this regard requests the Secretary-General to make all efforts to improve the Fund's investment performance and to report thereon in the context of future reports on the investments of the Fund;

25. *Expresses concern* that, for the biennium 2014-2015, foreign exchange losses recorded in the Fund's financial statements amounted to 3.4 billion dollars, and urges the Secretary-General to employ suitable procedures and tools to mitigate foreign exchange losses as well as develop an internal mechanism to monitor, evaluate and manage losses or gains owing to foreign exchange in addition to regular monitoring of the fair value of the assets;

26. *Notes with serious concern* the high number of vacant posts in the Investment Management Division, in particular at the managerial and senior levels, and in this regard requests the Secretary-General to take appropriate measures to fill all vacant posts, as a matter of priority and in full compliance with relevant provisions governing recruitment in the United Nations;

27. *Welcomes* the development of the anti-fraud and anti-corruption policy for the Investment Management Division, and in this regard requests the Secretary-General to ensure its full implementation;

28. *Recalls* section VI, paragraph 10, of its resolution 70/248 A, notes with concern that the report of the Secretary-General did not include information on the performance of his representative, and in this regard requests the Secretary-General to provide, at the main part of its seventy-second session and in all his future reports on the investment of the Fund, information on the performance of his representative in discharging his or her responsibilities;

Other matters

29. *Emphasizes* the need for the Pension Board to ensure that the Fund takes appropriate measures to use existing internal capacities and avoid the use of consultants in its operations, as appropriate;

30. *Requests* the Secretary-General to entrust the Office of Internal Oversight Services with conducting a comprehensive audit of the Fund's policies on, inter alia, risk management, investment management and other administrative processes and to report to the General Assembly at its seventy-second session on key findings in the context of the annual report on the activities of the Office.

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Seventy-first session
Agenda item 132

Financial reports and audited financial statements, and reports of the Board of Auditors

Report of the Fifth Committee

Rapporteur: Ms. Diana Minyi **Lee** (Singapore)

I. Introduction

1. At its 2nd plenary meeting, on 16 September 2016, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its seventy-first session the item entitled:

"Financial reports and audited financial statements, and reports of the Board of Auditors:

"(a) United Nations;

"(b) United Nations peacekeeping operations;

"(c) International Trade Centre;

"(d) United Nations University;

"(e) Capital master plan;

"(f) United Nations Development Programme;

"(g) United Nations Capital Development Fund;

"(h) United Nations Children's Fund;

"(i) United Nations Relief and Works Agency for Palestine Refugees in the Near East;

"(j) United Nations Institute for Training and Research;

"(k) Voluntary funds administered by the United Nations High Commissioner for Refugees;

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"(l) Fund of the United Nations Environment Programme;

"(m) United Nations Population Fund;

"(n) United Nations Human Settlements Programme;

"(o) United Nations Office on Drugs and Crime;

"(p) United Nations Office for Project Services;

"(q) United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women);

"(r) International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994;

"(s) International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991;

"(t) International Residual Mechanism for Criminal Tribunals;

"(u) United Nations Joint Staff Pension Fund."

2. The Fifth Committee considered the item at its 6th, 14th, 17th, 20th and 23rd meetings, on 18 October, 28 November and 5, 13 and 23 December 2016. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records.[1]

3. For its consideration of the item, the Committee had before it the following documents:

(a) Financial reports and audited financial statements for the year ended 31 December 2015 and reports of the Board of Auditors on the United Nations (A/71/5 (Vol. I)), the International Trade Centre (A/71/5 (Vol. III)), the United Nations University (A/71/5 (Vol. IV)), the capital master plan (A/71/5 (Vol. V)), the United Nations Development Programme (A/71/5/Add.1), the United Nations Capital Development Fund (A/71/5/Add.2), the United Nations Children's Fund (A/71/5/Add.3), the United Nations Relief and Works Agency for Palestine Refugees in the Near East (A/71/5/Add.4), the United Nations Institute for Training and Research (A/71/5/Add.5), the voluntary funds administered by the United Nations High Commissioner for Refugees (A/71/5/Add.6), the Fund of the United Nations Environment Programme (A/71/5/Add.7), the United Nations Population Fund (A/71/5/Add.8), the United Nations Human Settlements Programme (A/71/5/Add.9), the United Nations Office on Drugs and Crime (A/71/5/Add.10), the United Nations Office for Project Services (A/71/5/Add.11), the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) (A/71/5/Add.12), the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International

[1] A/C.5/71/SR.6, A/C.5/71/SR.14, A/C.5/71/SR.17, A/C.5/71/SR.20 and A/C.5/71/SR.23.

Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994 (A/71/5/Add.13), the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 (A/71/5/Add.14), the International Residual Mechanism for Criminal Tribunals (A/71/5/Add.15), the United Nations Joint Staff Pension Fund (A/71/5/Add.16) and the fifth annual progress report of the Board of Auditors on the implementation of the United Nations enterprise resource planning system (A/71/180);

(b) Note by the Secretary-General transmitting the concise summary of the principal findings and conclusions contained in the reports of the Board of Auditors for the annual financial period 2015 (A/71/558);

(c) Report of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its report on the capital master plan for the year ended 31 December 2015 (A/71/331);

(d) Report of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its reports on the United Nations funds and programmes for the year ended 31 December 2015 (Part I) and (Part II) (A/71/331/Add.1 (Part I) and A/71/331/Add.1 (Part II));

(e) Report of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its report on the United Nations for the year ended 31 December 2015 (A/71/331/Add.2);

(f) Report of the Secretary of the United Nations Joint Staff Pension Board on the implementation of the recommendations of the Board of Auditors contained in its report for the year ended 31 December 2015 on the United Nations Joint Staff Pension Fund (A/71/397);

(g) Related report of the Advisory Committee on Administrative and Budgetary Questions (A/71/669).

4. At the 6th, 14th, 17th and 20th meetings, on 18 October, 28 November and 5 and 13 December, the Chair of the Audit Operations Committee of the Board of Auditors introduced the reports of the Board.

II. Consideration of draft resolution A/C.5/71/L.7

5. At its 23rd meeting, on 23 December, the Committee had before it a draft resolution entitled "Financial reports and audited financial statements, and reports of the Board of Auditors" (A/C.5/71/L.7), submitted by the Chair of the Committee on the basis of informal consultations coordinated by the representative of Kenya.

6. At the same meeting, the Committee adopted draft resolution A/C.5/71/L.7 without a vote (see para. 7).

III. Recommendation of the Fifth Committee

7. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Financial reports and audited financial statements, and reports of the Board of Auditors

The General Assembly,

Recalling its resolution 52/212 B of 31 March 1998 and its decision 57/573 of 20 December 2002,

Recalling also its resolutions 70/238 A of 23 December 2015, 70/238 B of 1 April 2016 and 70/238 C of 17 June 2016,

Having considered, for the period ended 31 December 2015, the financial reports and audited financial statements and the reports of the Board of Auditors on the United Nations,[1] the International Trade Centre,[2] the United Nations University,[3] the capital master plan,[4] the United Nations Development Programme,[5] the United Nations Capital Development Fund,[6] the United Nations Children's Fund,[7] the United Nations Relief and Works Agency for Palestine Refugees in the Near East,[8] the United Nations Institute for Training and Research,[9] the voluntary funds administered by the United Nations High Commissioner for Refugees,[10] the Fund of the United Nations Environment Programme,[11] the United Nations Population Fund,[12] the United Nations Human Settlements Programme,[13] the United Nations Office on Drugs and Crime,[14] the United Nations Office for Project Services,[15] the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women),[16] the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994,[17] the International

[1] *Official Records of the General Assembly, Seventy-first Session, Supplement No. 5*, vol. I (A/71/5 (Vol. I)).
[2] Ibid., vol. III (A/71/5 (Vol. III)).
[3] Ibid., vol. IV (A/71/5 (Vol. IV)).
[4] Ibid., vol. V (A/71/5 (Vol. V)).
[5] Ibid., *Supplement No. 5A* (A/71/5/Add.1).
[6] Ibid., *Supplement No. 5B* (A/71/5/Add.2).
[7] Ibid., *Supplement No. 5C* (A/71/5/Add.3).
[8] Ibid., *Supplement No. 5D* (A/71/5/Add.4).
[9] Ibid., *Supplement No. 5E* (A/71/5/Add.5).
[10] Ibid., *Supplement No. 5F* (A/71/5/Add.6).
[11] Ibid., *Supplement No. 5G* (A/71/5/Add.7).
[12] Ibid., *Supplement No. 5H* (A/71/5/Add.8).
[13] Ibid., *Supplement No. 5I* (A/71/5/Add.9).
[14] Ibid., *Supplement No. 5J* (A/71/5/Add.10).
[15] Ibid., *Supplement No. 5K* (A/71/5/Add.11).
[16] Ibid., *Supplement No. 5L* (A/71/5/Add.12).
[17] Ibid., *Supplement No. 5M* (A/71/5/Add.13).

Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991,[18] the International Residual Mechanism for Criminal Tribunals[19] and the United Nations Joint Staff Pension Fund,[20] the fifth annual progress report of the Board of Auditors on the implementation of the United Nations enterprise resource planning system,[21] the note by the Secretary-General transmitting the concise summary of the principal findings and conclusions contained in the reports of the Board of Auditors for the annual financial period 2015,[22] the reports of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its reports on the capital master plan,[23] on the United Nations[24] and on the United Nations funds and programmes[25] for the year ended 31 December 2015, the report of the Secretary of the United Nations Joint Staff Pension Board on the implementation of the recommendations of the Board of Auditors contained in its report for the year ended 31 December 2015 on the United Nations Joint Staff Pension Fund[26] and the related report of the Advisory Committee on Administrative and Budgetary Questions,[27]

1. *Takes note* of the audit opinions and findings, and endorses the recommendations, contained in the reports of the Board of Auditors;[1-21]

2. *Endorses* the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions;[27]

3. *Reaffirms* that the Board of Auditors shall be completely independent and solely responsible for the conduct of audits;

4. *Decides* to consider further the reports of the Board of Auditors on the International Criminal Tribunal for Rwanda,[17] the International Tribunal for the Former Yugoslavia[18] and the International Residual Mechanism for Criminal Tribunals[19] under the respective agenda items relating to the Tribunals and the Mechanism;

5. *Also decides* to consider further the report of the Board of Auditors on the United Nations Joint Staff Pension Fund[20] under the agenda item relating to the United Nations Joint Staff Pension Fund;

6. *Commends* the Board of Auditors for the continued high quality of its reports and the streamlined format thereof;

7. *Takes note* of the reports of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its reports for the year ended 31 December 2015 on the United Nations[24] and on the United Nations funds and programmes;[25]

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[18] Ibid., *Supplement No. 5N* (A/71/5/Add.14).
[19] Ibid., *Supplement No. 5O* (A/71/5/Add.15).
[20] Ibid., *Supplement No. 5P* (A/71/5/Add.16).
[21] A/71/180.
[22] A/71/558.
[23] A/71/331.
[24] A/71/331/Add.2.
[25] A/71/331/Add.1 (Part I) and (Part II).
[26] A/71/397.
[27] A/71/669.

8. *Reiterates its request* to the Secretary-General and the executive heads of the funds and programmes of the United Nations to ensure full implementation of the recommendations of the Board of Auditors and the related recommendations of the Advisory Committee in a prompt and timely manner, to continue to hold programme managers accountable for the non-implementation of recommendations and to effectively address the root causes of the problems highlighted by the Board;

9. *Reiterates its request* to the Secretary-General to provide in his reports on the implementation of the recommendations of the Board of Auditors a full explanation for the delays in the implementation of the recommendations of the Board, in particular those recommendations not yet fully implemented that are two or more years old;

10. *Also reiterates its request* to the Secretary-General to indicate in future reports an expected time frame for the implementation of the recommendations of the Board of Auditors, as well as the priorities for their implementation and the office holders to be held accountable.

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Financing of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991

Report of the Fifth Committee

Rapporteur: Ms. Diana Minyi **Lee** (Singapore)

I. Introduction

1. At its 2nd plenary meeting, on 16 September 2016, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its seventy-first session the item entitled "Financing of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991" and to allocate it to the Fifth Committee.

2. The Fifth Committee considered the item at its 20th and 23rd meetings, on 13 and 23 December 2016. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records.[1]

3. For its consideration of the item, the Committee had before it the following documents:

(a) First performance report of the Secretary-General on the budget of the International Tribunal for the Former Yugoslavia for the biennium 2016-2017 (A/71/578);

(b) Financial report and audited financial statements for the year ended 31 December 2015 and report of the Board of Auditors (A/71/5/Add.14);

[1] A/C.5/71/SR.20 and A/C.5/71/SR.23.

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(c) Related report of the Advisory Committee on Administrative and Budgetary Questions (A/71/671).

II. Consideration of draft resolution A/C.5/71/L.8

4. At its 23rd meeting, on 23 December, the Committee had before it a draft resolution entitled "Financing of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991" (A/C.5/71/L.8), submitted by the Chair on the basis of informal consultations coordinated by the representative of New Zealand.

5. At the same meeting, the Committee adopted draft resolution A/C.5/71/L.8 without a vote (see para. 6).

III. Recommendation of the Fifth Committee

6. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Financing of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991

The General Assembly,

Having considered the first performance report of the Secretary-General on the budget of the International Tribunal for the Prosecution of the Persons Responsible for Serious Violations of International Law Committed in the Territory of the Former Yugoslavia since 1991 for the biennium 2016-2017,[1] the related report of the Advisory Committee on Administrative and Budgetary Questions,[2] the financial report and audited financial statements for the year ended 31 December 2015 and the report of the Board of Auditors on the International Tribunal for the Former Yugoslavia[3] and the recommendations contained therein,

Recalling its resolution 47/235 of 14 September 1993 on the financing of the International Tribunal for the Former Yugoslavia and its subsequent resolutions thereon, the latest of which was resolution 70/242 of 23 December 2015,

1. *Takes note* of the first performance report of the Secretary-General on the budget of the International Tribunal for the Former Yugoslavia for the biennium 2016-2017;[1]

2. *Endorses* the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions;[2]

3. *Requests* the Secretary-General to ensure that proper management, internal control and accountability are in place in the Tribunal in order to prevent any erroneous payments;

4. *Emphasizes* the importance of the continued efforts of the Secretary-General to implement the completion strategy for the Tribunal in an efficient and timely manner;

5. *Requests* the Secretary-General to complete the work of the Tribunal within the approved timeline and resources, with due regard to the lessons learned from the liquidation of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of

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[1] A/71/578.
[2] A/71/671.
[3] *Official Records of the General Assembly, Seventy-first Session, Supplement No. 5N* (A/71/5/Add.14).

Neighbouring States between 1 January and 31 December 1994, and to report thereon at the main part of its seventy-second session;

6. *Decides* that any residual liquidation activities that remain after the completion of the substantive work of the Tribunal shall be undertaken by the International Residual Mechanism for Criminal Tribunals;

7. *Also decides* on a revised appropriation to the Special Account for the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 of a total amount of 98,064,000 United States dollars gross (86,917,900 dollars net) for the biennium 2016-2017, as detailed in the annex to the present resolution;

8. *Further decides*, for the year 2017, to apportion among Member States, in accordance with the scale of assessments applicable to the regular budget of the United Nations for the year, the amount of 25,050,225 dollars gross (22,157,800 dollars net), including 1,158,450 dollars gross (946,650 dollars net), being the increase in assessments;

9. *Decides*, for the year 2017, to apportion among Member States, in accordance with the rates of assessment applicable to peacekeeping operations of the United Nations for the year, the amount of 25,050,225 dollars gross (22,157,800 dollars net), including 1,158,450 dollars gross (946,650 dollars net), being the increase in assessments;

10. *Also decides* that, in accordance with the provisions of its resolution 973 (X) of 15 December 1955, there shall be set off against the apportionment among Member States, as provided for in paragraphs 8 and 9 above, their respective share in the Tax Equalization Fund in the amount of 5,784,850 dollars, including 423,600 dollars, being the increase of the estimated staff assessment income approved for the Tribunal for the biennium 2016-2017.

Annex

Financing for the biennium 2016-2017 of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991

	Gross	Net
	(United States dollars)	
Initial appropriation for the biennium 2016-2017 (resolution 70/242)	95 747 100	85 024 600
First performance report for the biennium 2016-2017 (A/71/578)	2 316 900	1 893 300
Recommendations of the Advisory Committee on Administrative and Budgetary Questions (A/71/671)	–	–
Recommendations of the Fifth Committee	–	–
Revised appropriation for the biennium 2016-2017	**98 064 000**	**86 917 900**
Less: Estimated income for the biennium 2016-2017	(180 000)	(180 000)
Amount to be assessed for the biennium 2016-2017 (net of estimated income)	**97 884 000**	**86 737 900**
Assessment for 2016	47 783 550	42 422 300
Balance to be assessed for 2017	50 100 450	44 315 600
Including		
Contributions assessed on Member States in accordance with the scale of assessments applicable to the regular budget of the United Nations for 2017	25 050 225	22 157 800
Contributions assessed on Member States in accordance with the rates of assessment applicable to peacekeeping operations of the United Nations for 2017	25 050 225	22 157 800

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Agenda item 148

Financing of the International Residual Mechanism for Criminal Tribunals

Report of the Fifth Committee

Rapporteur: Ms. Diana Minyi **Lee** (Singapore)

I. Introduction

1. At its 2nd plenary meeting, on 16 September 2016, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its seventy-first session the item entitled "Financing of the International Residual Mechanism for Criminal Tribunals" and to allocate it to the Fifth Committee.

2. The Fifth Committee considered the item at its 20th and 23rd meetings, on 13 and 23 December 2016. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records.[1]

3. For its consideration of the item, the Committee had before it the following documents:

(a) Financial report and audited financial statements for the year ended 31 December 2015 and report of the Board of Auditors on the Mechanism (A/71/5/Add.15);

(b) First performance report of the Secretary-General on the budget of the Mechanism for the biennium 2016-2017 (A/71/579);

(c) Related report of the Advisory Committee on Administrative and Budgetary Questions (A/71/671).

[1] A/C.5/71/SR.20 and A/C.5/71/SR.23.

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II. Consideration of draft resolution A/C.5/71/L.9

4. At its 23rd meeting, on 23 December, the Committee had before it a draft resolution entitled "Financing of the International Residual Mechanism for Criminal Tribunals" (A/C.5/71/L.9), submitted by the Chair on the basis of informal consultations coordinated by the representative of New Zealand.

5. At the same meeting, the Committee adopted draft resolution A/C.5/71/L.9 without a vote (see para. 6).

III. Recommendation of the Fifth Committee

6. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Financing of the International Residual Mechanism for Criminal Tribunals

The General Assembly,

Having considered the first performance report of the Secretary-General on the budget of the International Residual Mechanism for Criminal Tribunals for the biennium 2016-2017,[1] the related report of the Advisory Committee on Administrative and Budgetary Questions,[2] the financial report and audited financial statements for the year ended 31 December 2015 and the report of the Board of Auditors on the Mechanism[3] and the recommendations contained therein,

Recalling its resolution 66/240 A of 24 December 2011 on the financing of the International Residual Mechanism for Criminal Tribunals and its subsequent resolutions thereon, the latest of which was resolution 70/243 of 23 December 2015,

1. *Takes note* of the first performance report of the Secretary-General on the budget of the International Residual Mechanism for Criminal Tribunals for the biennium 2016-2017;

2. *Endorses* the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions;[2]

3. *Decides* that any residual liquidation activities that remain after the completion of the substantive work of the International Tribunal for the Prosecution of the Persons Responsible for Serious Violations of International Law Committed in the Territory of the Former Yugoslavia since 1991 shall be undertaken by the Mechanism;

4. *Notes* the transfer of an overexpenditure in the amount of 3,700,000 United States dollars from the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994 to the Mechanism, and requests the Secretary-General to report on the treatment of the amount of the overexpenditure in the context of his second performance report for the biennium 2016-2017 on the budget of the Mechanism;

5. *Decides* on a revised appropriation to the Special Account for the International Residual Mechanism for Criminal Tribunals of a total amount of

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[1] A/71/579.

[2] A/71/671.

[3] *Official Records of the General Assembly, Seventy-first Session, Supplement No. 5O* (A/71/5/Add.15).

135,747,700 dollars gross (125,153,500 dollars net) for the biennium 2016-2017, as detailed in the annex to the present resolution;

6. *Also decides*, for the year 2017, to apportion among Member States, in accordance with the scale of assessments applicable to the regular budget of the United Nations for the year, the amount of 33,522,800 dollars gross (30,840,425 dollars net), including 828,250 dollars gross (895,900 dollars net), being the decrease in assessments;

7. *Further decides*, for the year 2017, to apportion among Member States, in accordance with the rates of assessment applicable to peacekeeping operations of the United Nations for the year, the amount of 33,522,800 dollars gross (30,840,425 dollars net), including 828,250 dollars gross (895,900 dollars net), being the decrease in assessments;

8. *Decides* that, in accordance with the provisions of its resolution 973 (X) of 15 December 1955, there shall be set off against the apportionment among Member States, as provided for in paragraphs 7 and 8 above, their respective share in the Tax Equalization Fund in the amount of 5,364,750 dollars, including 135,300 dollars, being the increase of the estimated staff assessment income approved for the Mechanism for the biennium 2016-2017.

Annex

Financing for the biennium 2016-2017 of the International Residual Mechanism for Criminal Tribunals

	Gross	*Net*
	(United States dollars)	
Initial appropriation for the biennium 2016-2017 (resolution 70/243)	137 404 200	126 945 300
First performance report for the biennium 2016-2017 (A/71/579)	(1 656 500)	(1 791 800)
Recommendations of the Advisory Committee on Administrative and Budgetary Questions (A/71/671)	–	–
Recommendations of the Fifth Committee	–	–
Revised appropriation for the biennium 2016-2017	**135 747 700**	**125 153 500**
Less: Assessment for 2016	68 702 100	63 472 650
Balance to be assessed for 2017	**67 045 600**	**61 680 850**
Including:		
Contributions assessed on Member States in accordance with the scale of assessments applicable to the regular budget of the United Nations for 2017	33 522 800	30 840 425
Contributions assessed on Member States in accordance with the rates of assessment applicable to peacekeeping operations of the United Nations for 2017	33 522 800	30 840 425

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Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994

Report of the Fifth Committee

Rapporteur: Ms. Diana Mingyi **Lee** (Singapore)

I. Introduction

1. At its 2nd plenary meeting, on 16 September 2016, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its seventy-first session the item entitled "Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994" and to allocate it to the Fifth Committee.

2. The Fifth Committee considered the item at its 20th and 23rd meetings, on 13 and 23 December 2016. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records.[1]

3. For its consideration of the item, the Committee had before it the following documents:

(a) Financial report and audited financial statements for the year ended 31 December 2015 and report of the Board of Auditors on the International Criminal Tribunal for Rwanda (A/71/5/Add.13);

[1] A/C.5/71/SR.20 and A/C.5/71/SR.23.

Please recycle

(b) Final performance report of the Secretary-General on the budget and the liquidation of the International Criminal Tribunal for Rwanda for the biennium 2016-2017 (A/71/577);

(c) Related report of the Advisory Committee on Administrative and Budgetary Questions (A/71/671).

II. Consideration of draft resolution A/C.5/71/L.10

4. At its 23rd meeting, on 23 December, the Committee had before it a draft resolution entitled "Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994" (A/C.5/71/L.10), submitted by the Chair on the basis of informal consultations coordinated by the representative of New Zealand.

5. At the same meeting, the Committee adopted draft resolution A/C.5/71/L.10 without a vote (see para. 6).

III. Recommendation of the Fifth Committee

6. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994

The General Assembly,

Having considered the final performance report of the Secretary-General on the budget and the liquidation of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994 for the biennium 2016-2017,[1] the related report of the Advisory Committee on Administrative and Budgetary Questions,[2] the financial report and audited financial statements for the year ended 31 December 2015 and the report of the Board of Auditors on the International Criminal Tribunal for Rwanda[3] and the recommendations contained therein,

Recalling its resolution 49/251 of 20 July 1995 on the financing of the International Criminal Tribunal for Rwanda and its subsequent resolutions thereon, the latest of which was resolution 70/241 of 23 December 2015,

1. *Takes note* of the final performance report of the Secretary-General on the budget and the liquidation of the International Criminal Tribunal for Rwanda for the biennium 2016-2017;[1]

2. *Endorses* the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions;[2]

3. *Requests* the Secretary-General to ensure that Headquarters provides guidance, oversight and support to future liquidation processes, including accurate budget estimates and feasible time frames;

4. *Also requests* the Secretary-General to entrust the Office of Internal Oversight Services with the conduct of final oversight of the Tribunal, covering, inter alia, the effectiveness of the liquidation exercise, and to include information on key findings in the context of the next annual report on its activities;

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[1] A/71/577.

[2] A/71/671.

[3] *Official Records of the General Assembly, Seventy-first Session, Supplement No. 5M* (A/71/5/Add.13).

5. *Encourages* the Secretary-General to pursue the recovery of overpayments, where appropriate and economically feasible, and to report thereon in the context of his second performance report on the budget of the International Residual Mechanism for Criminal Tribunals;

6. *Requests* the Secretary-General to ensure that lessons learned from the liquidation of the Tribunal are incorporated, as appropriate, into future liquidations of tribunals and other United Nations Secretariat entities, as well as into relevant United Nations policies and procedures;

7. *Approves* the final appropriation for the Tribunal for the biennium 2016-2017 in the amount of 2,086,100 United States dollars gross (1,978,800 dollars net), as initially appropriated by the General Assembly in its resolution 70/241;

8. *Also approves* the transfer and charge of 3,726,700 dollars gross (3,466,000 dollars net) as part of the estimated final expenditure, and further expenditures, if any, in excess of the approved appropriation for that purpose, under the 2016-2017 budget for the Mechanism, to be reported in the context of the second performance report on the budget of the Mechanism.